THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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BUSINESS SEES POSSIBILITY OF TRADE RECOVERY

Vast Opportunities for Canada in Stabilization of Europe

IS CAPITAL COMING?

Domestic Conditions Are Ripe for Gradual Improvement—Grain Receipts Are Up 50 Per Cent.

Apart from continued interest in the improving crop outlook in Western Canada, and the favorable harvest in the East, business is keenly intent upon two developments of primary significance. The first involves the consequences of the successful termination of the London conference, and the official adoption of the Dawes report. The second is what may be the beginning of an important influx of capital from the United States owing to the plethora of non-invested funds—already reflected in the strength of Canadian exchange—and from Great Britain, as the pound sterling approaches par.

The stabilization of economic conditions in Europe cannot but induce a revival in world trade, and in this, Canada will have a share. It is estimated that the aggregate volume of merchandise passing through the channels of international trade is approximately 80 per cent. of the pre-war figures. The low purchasing power of Europe has reduced consumption to this extent, as well as preventing the normal degree of progress. Currency and industrial stabilization must have the result of increasing German imports as well as those of other countries of Western Europe. Europe, including Great Britain, now takes close to 50 per cent. of our export produce, and factors working towards the improvement of so large a proportion of our export market, is necessarily of vast importance to Canadian trade. Furthermore, the general rise in living standards throughout the world, to which Europe's recovery would lead, cannot but increase our business in other foreign markets. While it is not probable that there will be an instantaneous recovery, the foundations have been laid, and, allowing for political manoeuvring, it is not unreasonable to expect an almost immediate beginning of recovery.

New Capital Available

The other significant factor in the bussiness outlook—the renewed prospects of a large-scale inflow of investment capital is highly significant. As sterling approaches par, the interest of the British investor in Canadian enterprise gradually expands. Of this we already have evidence. Due to entirely different causes a similar situation obtains in the United States. Business there has failed to respond to the recent further lowering of the Federal Reserve rediscount rate, and capital is seeking safe investment outside the country, since there is a feeling that the present stock market movement may not be permanent.

The revival of competition between United States and British capital for investment in the Canadian market is much to be desired from the Canadian standpoint.

Domestic Business Improving

The portion of the deflation period through which we have already passed has been convincing evidence that Canada, unlike the United States, is not liable to burst suddenly into a period of business expansion induced by such a factor as gold inflation. Canada's progress has been rapid enough, but our recovery from severe depressions is slow. It is only by gradual stages that we need expect improvement to come, and by individual industries. The fishing in-

(Continued on page 8)

Canadian Conditions

Car Loadings—Week ending Aug. 9—			
	1924	1923	
	47,239	50,491	— 6.4%
—Year to date—			
	1924	1923	
	1,701,022	1,589,798	+ 7.0%
Building—Six Months—			
	1924	1923	
	$51,567,519	$62,581,842	—17.5%
Bank Clearings—Seven Months—			
	1924	1923	
	$8,837,193,771	$8,657,375,224	+ 2.0%
Grain Movement—Year ending Aug. 1—			
	1923	1922 crop	
	472,705,804	315,948,970	+49.6%
Savings Deposits—Chart. Banks, June			
	1924	1923	
	$1,189,018,091	$1,214,245,872	— 2.1%
Current Loans—By Banks, June			
	1924	1923	
	$986,366,366	$1,065,854,729	— 7.5%
Net Dominion Debt—July 31—			
	1924	1923	
	$2,391,451,680	$2,403,235,609	— 0.4%
Railway Earnings—Seven Months—			
	1924	1923	
C.P.R.	$ 96,152,000	$ 93,069,000	+ 3.3%
C.N.R.	134,849,228	136,732,873	— 0.8%
Balance of Trade—12 Months, July—			
	1924	1923	
Exp.	$1,079,048,299	$1,007,964,619	+ 7.1%
Imp.	850,502,013	880,490,108	— 3.4%
Bal.	228,546,286	127,474,511	+79.3%

Bootleggers Ruining The Textile Industry

The desire to make the return journey profitable on the part of bootleggers running liquor into the United States has resulted in the wholesale smuggling of textiles into Canada and aided materially in creating a grave situation for the textile industry in Canada. A deputation of textile men went to Ottawa recently in an effort to get action on a tightening of the customs supervision at the borders. It was stated that many of the big textile firms were being driven to the verge of bankruptcy and that the country was losing an annual revenue estimated at not less than $10,000,000 through smuggling.

WHEAT HAS MADE MORE PROGRESS THAN THE RUST

Frost Danger Still Ahead But Wheat Cutting is General

By E. CORA HIND,
Commercial Editor, Manitoba Free Press.

WINNIPEG.—Since wiring last Wednesday, have motored nearly 1,000 miles, working through southern Saskatchewan and back through parts of Manitoba previously visited in search of rust, in order to check the advance of same.

During the week in question there have been very heavy general rains in all the prairie provinces, some hail storms, none of them very extended, and some frost in sections of all three provinces. Also there have been several days following the rains that were real rust breeders, but in spite of these handicaps the crop has made progress. While there has been considerable development of rust in both southern Manitoba and southern Saskatchewan, the wheat is pretty generally ahead of the rust, and although there will be some loss, particularly in grade, on late fields, it is fairly well assured now that the loss from yield will not be very serious, though there will be some, and the heavier loss will be naturally on later fields. On checking the rust development on fields visited three weeks ago, it was found that the wheat had definitely made more progress than the rust.

In the matter of frost, while some late fields of wheat in the districts in which it occurred will suffer somewhat in grade, the more serious damage will be to late oats and flax, of which there are very large areas. The frost, however, was confined largely to small sections. At Somerset, Manitoba, for example, while corn was quite seriously nipped and late oats and flax touched, late wheat may have suffered a slight wrinkling but the damage would not be more than that. Two miles south of Somerset, tomato and cucumber vines were untouched.

There are a good many anxious weeks ahead of western farmers and business men before it will be possible to say the crop is safe, but it is quite safe to report steady progress during the past seven days.

About 75 per cent. of the winter rye is cut in Manitoba, and possibly 20 per cent. in Saskatchewan. Rye threshing is going on at a number of points in Manitoba, barley cutting is quite general, and Marquis wheat is being cut at a number of points in Manitoba. This will be general in a week. In Saskatchewan it is a little later.

Cutting of Durum wheat will not be general much before the first of September. The new rust resistant, Kota wheat, is ripening rather slowly, but is filling well, and presents a very attractive appearance. It is not regarded as a good milling wheat; it has a very slender straw, but so far has shown no great tendency to go down in heavy rains.

Soviet Impertinence

Kingston Standard.

A press despatch from France states that about 100 young Russian Communists have been selected by Zinovieff, President of the Third International, to come to France during the next winter to study in the universities and technical schools, and the attention of the French authorities has been drawn to the fact by the Russian anti-Soviet organizations which allege that the primary object of the coming of these young people is not to learn, but to spread Bolshevist propaganda among the Russian and French students.

This is a cool piece of impertinence, but it is only what might be expected, and the more so since the Soviet Government has been "recognized" by Great Britain, Canada and other countries. This recognition has encouraged the Soviets and made them grow bolder. But they have given fair warning of what their intentions are so far as France is concerned, and there is no doubt that the same thing applies to other countries. As a matter of fact, only a short time ago *The Financial Post* drew attention to their activities in Canadian as well as American universities, while it is known that schools have been founded in which their abominable doctrines are being taught.

This news from France is the plainest intimation of the Soviets' plans which we have seen, and it is to be hoped that it will act as a warning to people in Canada.

BIG CORPORATION TO BE FINANCED BY LABOR UNIONS

Proposal That 250,000 Workers Launch New Auto Factory

MACHINISTS' PLAN

Even if Others Fail to Take up Plan Machinists Are Likely to Sell Stock in Wright Motors

From Our Own Correspondent.

MONTREAL.—Canadian labor is considering becoming capitalistic. THE FINANCIAL POST learns that a confidential letter has gone out from the Machinists' Union to all of the unions in Canada, affiliated with the international unions, asking them for their viewpoint on a plan to organize a new automobile manufacturing company, to be financed by the sale of stock in small blocks to the members of the various unions. The 250,000 workers in Canada affiliated with international unions would be looked to for the $2,000,000 required for the enterprise.

While it is yet uncertain whether or not all of the unions will look with favor upon the proposal, the Machinists' Union is practically certain to go ahead with the plan, and early incorporation of Wright Motors, Limited, with an authorized capitalization of $2,000,000 of 8 per cent. cumulative and participating preferred stock and $3,000,000 of common stock may be expected.

Relieve Unemployment?

The letter points to the present unemployment situation in Canada, and suggests that the unions themselves have the remedy in their hands; they can create new industries that will provide jobs for workers, is the proposal.

The new company is in some degree an outgrowth of Birmingham Motors, Limited, a stock proposition that got under way at Peterborough, Ontario, a couple of years ago, but which went into liquidation. One Byron J. Letterer, the promoter of Birmingham Motors, is now dead. This company was formed to exploit a new design of automobile, the work of a Detroiter named Wright. When the Birmingham company fell through, Mr. Wright, associated with certain promoters, took over the meagre assets of the company, and to finance their purchase formed an organization known as the Pre-Organization Syndicate. This syndicate offered rights to subscribe to "interests" to the former shareholders of Birmingham Motors, and it is understood raised about $40,000 in this way. Now it is proposed to organize a large corporation to take over the assets and rights of the syndicate. This is the company that is likely to come out under the name of Wright Motors. And to provide the capital for the new company, resort has been made to the novel plan of asking the laboring men of Canada to subscribe for stock through their unions.

The interest holders in the Pre-Organization Syndicate will be looked after. About one million dollars of common stock in the new organization has been put aside for them, and it is expected they will receive three shares of this stock for each $100 they put into the syndicate. Another block of $1,000,000 of common stock is likely to go to the union as its bonus for looking after the financing. In addition, a commission—probably 10 per cent.—will be paid to the unions for the sale of stock. Plans provide for deposit of all receipts from stock sales in a trust company, to be released only for authenticated company payments.

The Wright car has as its most radical feature the flexible axle that attracted some attention to the Birmingham Motors. Circulars issued indicate that the promoters have in mind a yearly production of 3,000 cars. Some negotiations have taken place looking to the lease of a factory in East Montreal, belonging to Caron Brothers, and formerly used by the Parker Motor Car Company.

Saskatchewan Butter 2,284,600 lbs. in July

REGINA.—P. E. Reed, dairy commissioner for Saskatchewan, reports that the total amount of creamery butter manufactured in July, 1924, was 2,284,609 pounds, and this is the first time in the history of Saskatchewan that it has been possible to record an output of over two million pounds in a single month. This total is 389,925 pounds in excess of the output during July, 1923, and in the period January to July, 1924, 1,075,999 more pounds of butter were manufactured by the creameries than in the same period in 1923. Mr. Reed also reports that nearly 93 per cent. of the total creamery butter manufactured has been graded and between June 30 and August 2 an average of nearly half a million pounds of butter per week has been graded.

$500,000 IN FURS

EDMONTON.—More than 150 traders from the Far North arrived here recently bringing with them fur bales to the value of approximately $500,000.

RELOADERS BUSY ON SHAREHOLDERS OF OIL CONCERNS

Selling La Paz Shares at 25 Cents and Promise Big Profit

MONEY ON EXCHANGE?

Some Indications That the Whole Scheme is to Profit by High Fees for Transfer of Shares

Consolidated American Oil Companies of Windsor, capitalized $25,000,000 shares $1 par value, is trying to engineer a share exchange that will give it control of 29 oil companies. Stockholders of four Canadian companies, La Paz Oil, Canada Petroleum and Refining, Toronto Grey Gas and Oil and Inland Oil and Gas, are being approached and asked to exchange their shares. Principal interest seems to centre around La Paz. The shareholders are the most numerous. Some of them paid from $2.50 to $10 a share. The offering of the consodidated company on La Paz is four shares of new for one of old.

Consolidated American Oil has opened an office in Toronto and the manager states that new shares are being sold at par $1. At the same time the exchange with La Paz shareholders is being made on a basis of four for one which would seemingly give La Paz shares a value of $4 each. Yet La Paz shares are reported to be selling freely in unlisted security circles around 14 cents. In the meantime salesmen of a type generally referred to as "reloaders," are reported to be active on these shareholders trying to sell La Paz shares at 25 cents and offering to guarantee that they would get 50 cents a share for the new stock within a short time which would mean $2 for a share of La Paz. One woman shareholder told THE FINANCIAL POST that an official of La Paz tried the same thing on her and said that she would get 50 cents for the new stock of consolidated within sixty days.

A Different Offer

Another shareholder of La Paz was approached and offered a block of 1,500 shares of the new stock for $1,500. He had exchanged his old shares and when two "reloaders" delivered his new certificate to his house, they guaranteed him that if he would take 1,500 additional shares they would get him a good price for all his stock and an additional bonus of shares.

Yet while these promises are being made, one share of La Paz selling at 14 cents is worth four of the new which would give the new consolidated shares a value of under 4 cents. At the same time La Paz holders are being "reloaded" at 25 cents and the new shares offered at $1

President Brooks of La Paz Oil stated to THE FINANCIAL POST that he was opposed to the deal, but signed the circular going to the shareholders hoping that if the new people made some progress La Paz holders might get better than the present market for their shares.

Sir Henry Pellatt told THE FINANCIAL POST that the exchange is a gamble. He knows nothing about the new people other than what they have represented. They show liquid assest close to $100,000 and are in a position to drill a well. La Paz owes money and cannot raise more. It is a chance where the shareholders stand to get nothing out of La Paz and have a gambling chance with the new company, says Sir Henry.

The company literature states that there are 51 wells producing and 8 being drilled. The oil recovery is not given. The number of acres of proven oil lands are given as 7,144, unproven 36,097. Doubtless these holdings are made up of assets of the 29 companies, are listed on the assumption that a share exchange sufficient to give control will be made.

Profit on Transfer Fee

In some circles there is a feeling that the proposition may be nothing more or less than a movement to make money on the exchange of shares. This is doubtless due to the fact that the company is acting as its own transfer agent. The scale of transfer charges is a sliding one and one woman shareholder says that she would have to pay $35 on her holdings. In the case of La Paz Oil, the exchange fee is not payable on La Paz shares, but rather on the new shares, which total 4 times the number of any individual La Paz holding. Thus on 100 shares of La Paz the exchange would not be $1 but on 400 shares of consolidated, $4

Consolidated Realization Corp, a New York concern, operating on much the same scale as Consolidated American, and also approaching some defunct or falling Canadian concerns, was recently stopped by the District Attorney of New York. The injunction was obtained on the contention that the assets which the company claimed to have, did not exist.

July production of Ford Motor Co. in domestic plants was 151,244 cars and trucks, 5,607 tractors and 664 Lincoln cars. This compares with 169,927 cars and trucks, 9,001 tractors and 782 Lincolns in July, 1923. August operations are on about the same basis.

Hotels Do Better Business this Year

Despite the rather backward summer, Canada has enjoyed a fairly good tourist season, according to George H. O'Neil, general manager of United Hotels for Canada. All the company's hotels in Canada have done better this year. Mt. Royal at Montreal showed earnings of $56,000 for July, which is $10,000 above the total for July, 1923. The King Edward has been doing an excellent business, as has also the Clifton at Niagara. The Prince Edward, at Windsor, because of the well-attended race meets, has had a better year and is at present doing capacity business.

STAGE CLEARED FOR REVIVAL OF WESTERN EUROPE

Financial Position of Germany Is Better—France Also Making Progress

In the section devoted to Europe, the current issue of Monthly Reports, published by the United States Bureau of Commerce, places emphasis upon the tremendous possibilities to trade involved in the carrying out of the Dawes plan. A portion of an article under the name of Alan G. Goldsmith, which follows, is of interest, since the recovery of western Europe is a matter of vital importance to Canada.

Although the cumulative effect of deflationary measures in recent months is still decidedly apparent in the widespread industrial depression, in growing unemployment, and in unparalleled number of bankruptcies, there are indications that the turning point has been reached and that the coming weeks may see gradual improvements. A stabilized German currency seems now to be assured through foreign loans under the Dawes plan. It is to be expected that the Reichsbank will moderate its restrictive credit policy sufficiently to afford relief that is very much needed.

The price decline of recent months has been superseded in the closing weeks of July by moderately rising tendencies, suggesting the beginning of the return of confidence, due largely to the favorable course of the London conference. Quotations of 157 representative stocks registered a rise of 80 per cent. in the last two weeks of July, an increase which is distributed over all classes of stocks, with chemical, electrical, and brawing stocks showing the largest gains. Provincial, municipal, and industrial bonds gained 12 per cent. in July.

Responsible German opinion, now unquestionably predominating, is favorable to the Dawes plan. Internal political questions have been generally in abeyance and pending the outcome of the conference; although the proposal to restore the gold value of all paper mark obligations is again unsettling business, following its revival by Nationalists in accordance with pre-election pledges. The investors protective associations demand the revision of the third emergency tax decree of February, but this is thought unlikely, as general sentiment is decisively against restoration beyond that of 15 per cent. therein provided for certain classes of obligations.

Immediate reductions in coal freight rates have been forecast by recommendations of the Railway Advisory Council, to be followed by more conservative reductions in general rates in accordance with the needs of individual industries. This step is imperative, both as a general relief measure to industry and from the point of view of the railways, since present rates cause diminishing returns. A low preferential rate for agricultural products for the current harvest season, as in previous years, is considered unlikely.

Crops Unusually Good

Under pressure of the obvious necessity for agricultural relief, the Reichsbank has agreed to discount 200,000,000 gold marks of agricultural paper for crop movements, co-operative associations, and State banks acting as intermediaries disbursing credits at a uniform cost of 13 per cent. per annum. Crop conditions throughout the Republic were unusually favorable, and the harvest is progressing satisfactorily, aided by excellent weather, particularly in north Germany. Unemployment in Berlin at the end of July numbered 98,000, an increase of 20 per cent. during the month. Wages are relatively stable; strikes are infrequent and unimportant. Living costs have practically remained stable during July, though an increase in August is probable.

Wholesale prices of 100 commodities at the end of July were 130 per cent. over pre-war, against 127.8 per cent. on July 17; foodstuffs, textiles, minerals, and miscellaneous classes showed a rise, finished products alone declining slightly, according to the revised index of the Frankfurter Zeitung. Peak prices of the year, according to the new index, reached 146 per cent. of pre-war on April 15, followed by an uninterrupted decline until July 17.

Financial Conditions Favorable

Gold discount loans to export industries by the gold bank totaled 6,500,000 pounds sterling at the end of July, an increase of approximately 5 per cent. during the month. The discount and loan portfolio of the Reichsbank at the end of July amounted to 1,860,600,000 gold marks, a decrease of 7 per cent. since end of June. The note circulation was 1,211,000,000, an increase of 10 per cent. Government and private deposits amounted to 743,000,000 glod marks, a decrease of 4 per cent. The gold reserve was 484,000,000 gold marks, an increase of 42,000,000 gold marks since the end of May, gained largely by the conversion of exchange holdings.

Government revenues for the first 20 days of July were 273,200,000 gold marks; expenditures, exclusive, of the repurchase

(Continued on page 4)

STATES FEELING ECONOMIC NEED EXPORT MARKETS

Situation Like England After Napoleonic Wars

BRITISH OPINION

London Bankers Hold That Desire For Foreign Trade Will Force Closer Relations With Europe

From Our Own Correspondent.

NEW YORK.—That the United States economically is rapidly being forced into the position occupied by Great Britain at the close of the Napoleonic wars, is an opinion held by a number of British bankers resident in New York. This being the case, the logic of events, they contend, is forcing the Federal Government and the larger American banks to adopt a policy which in many ways resembles the policy adopted by Great Britain in the early part of the last century. As their analysis of the present situation touches Canada at a number of points, it will perhaps not be uninteresting to Canadian readers of THE FINANCIAL POST.

The United States, so the Britishers tell THE FINANCIAL POST, is, economically speaking, faced to-day by one big fundamental problem: the problem of finding profitable and continuous use for its surplus capital and manufacturing plant. So far as its surplus capital is concerned the glut of available funds in the American money market is already clearly apparent. The discount rate of the New York Federal Reserve Bank is already the lowest of any central bank in the world. Despite this fact, however, recent cuts in the discount rates on the part of the various Federal reserve banks have not resulted in any very marked increase in the volume of re-discounts on the part of the central banks. Business men are not being forced to borrow from their banks to any great extent and the banks are as a result able to finance their own needs to a great extent from their own resources.

Industry at 50 Per Cent.

When it is remembered that the American industrial machine is today perhaps not working at much more than fifty per cent. of capacity, this is perhaps not surprising. While very recently there has been some improvement in the iron and steel industry, it is still operating far

(Continued on page 15)

Shawinigan Selling New Issue of Stock

From Our Own Correspondent.

MONTREAL.—Shawinigan is, as forecast, proceeding with plans to sell stock to shareholders. A shareholders' meeting is called for September 22 to authorize an increase in capital stock from $20,000,000 to $25,000,000. New shares will be issued to the shareholders on some basis that will give them valuable rights. The money is required to pay for the company's investment in United Securities Corporation.

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The Transfer Books will be closed from the 18th to the 30th day of August, both days inclusive.

By Order of the Board.

J. W. HAMILTON,
General Manager.

Winnipeg, July 17th, 1924.

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Summer Coal Orders Show Material Decline

Summer coal sales to consumers this year are not to be compared with other years, according to statistics which one wholesaler gathered from Toronto dealers. He states that the yards of the Toronto coal retailers are full of good coal, while deliveries to date only total 16 per cent. of the total at this time in 1923. The conclusion of dealers is that people are not as concerned about their supply as they were last year, when the mines were having labor trouble, besides he believed that the tightness of money was an all important factor. Retail prices of coal are to advance 50 cents Sept 1, it is reported.

The Business Outlook

EXCHANGE RATES DISCOUNT VALUE OF CONFERENCE

Sterling's Rise Sends Capital Into Canadian Investment Once More

During the past two weeks the various foreign exchange markets have been discounting the effects of the London Conference, and the carrying out of the Dawes plan. The volume of buying which induced the strength in European currencies, indicates confidence in the success of the negotiations. Even certain issues of German mark bonds have been remarkably active and have undergone a sharp appreciation in value.

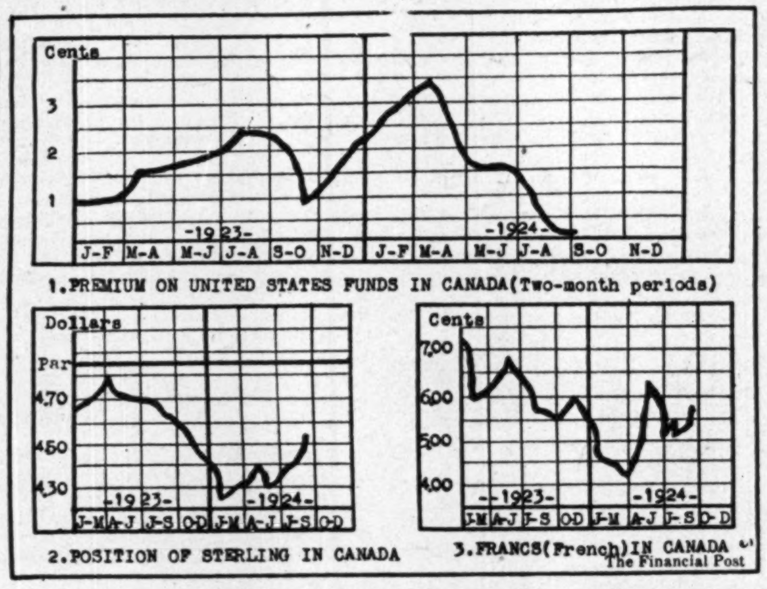
The greatest rise that has taken place is in the case of sterling. This is attributed partly to the transfer of funds from the United States to London to take advantage of the higher money rates. The recent lowering of the Federal Reserve re-discount rate, however, has brought the two markets practically together, and the continued strength of sterling, regardless of this fact must be attributed to some other cause. The only explanation seems to be the success of the international conference. As shown in chart 2 sterling has had a very appreciable advance of late, and the franc is also tending upward, as shown in chart 3.

The rise of sterling is of the utmost importance to Canada. Not only does it facilitate the purchase of Canadian goods by British firms, but it also revives the transfer of British capital to Canada. One of the greatest needs of the country is more capital for industrial and commercial development, and the recent announcement that the Federal government will probably obtain a portion of its requirements in the British market this fall is significant. Already British interests are planning to finance large undertakings in the Northern Ontario mining field. This is highly significant from the Canadaian standpoint, in view of the fact that the exchange position has retarded the flow of British capital into Canada for some years.

As shown in chart 1, the Canadian dollar has been gradually approaching par since about the end of March. Its position is much better than at this time last year. Among the factors which may be having an influence are: our very favorable trade balance; the increase in the volume of grain shipments; financing in New York; the transfer of investment funds to Canada; and the general improvement in the European outlook.

The dollar, sterling and franc opening rates for each month since the beginning of the year were: ,

	U.S. Funds (cents)	Sterling (dollars)	Francs (cents)
January ...	2.60	4.29	4.90
February . .	3.00	4.30	4.27
March	3.50	4.30	4.24
April	2.22	4.30	5.45
May	1.59	4.38	6.50
June	1.66	4.31	5.22
July	1.12	4.33	5.31
August	.31	4.40	5.04
August 15 ..	.06	4.55	5.71



Crop Revenue Helps Building

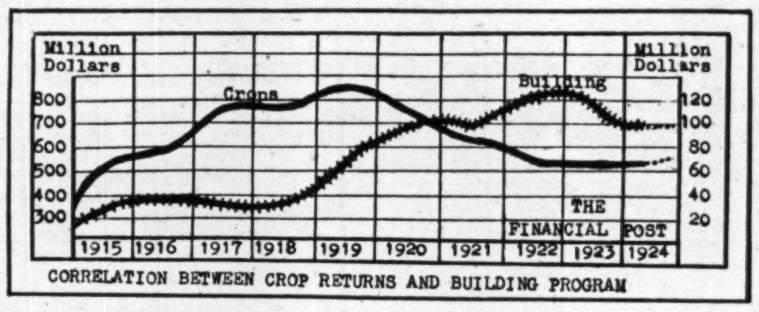
It has been noted by observers of business movements that many lines of industry are very directly influenced, in Canada, by the revenue from the crops. It is not the volume of the yield that matters, so much as the aggregate revenue, and hence the prices received. It takes some time for this revenue to find its way through the channels of commerce into the various industries, and it reaches some sooner than others, but there is, sooner or later, a very decided correlation between the crop revenue and some of our primary industries, such, for example, as construction.

As shown in the accompanying chart, the highest point in the line representing aggregate revenue from wheat, oats and barley in Canada was in 1919, but it was not until 1922-3 that the peak of building, as measured by permits, was reached. The general trend of building has followed the swing of crop revenues with marked similarity. It may be urged that the building program was simply postponed by war conditions and came on later, but this does not explain why the peak was postponed until four years after the armistice. Prospective builders had to wait until the volume of available funds was sufficient to complete the large building program which was greater, of course, on account of inactivity during the war.

What has been urged in the previous paragraph is of paramount importance to those interested in the building trades or subsidiary industries. The rapid rise in the grain prices has vastly increased the value of the remainder of last year's grain, as well as paying the way for a larger revenue from this year's crops. Building costs have dropped lower than they have been for some time, and this combination of circumstances seems to point very definitely to a large-scale building program during 1925.

Following is a table showing the relation between the aggregate revenue from the crops (wheat, barley and oats) and the program of building, as measured by building permits:

	Crop Revenue	Building Permits
1915	554,000,000	$33,000,000
1916	589,000,000	39,000,000
1917	789,000,000	33,000,000
1918	789,000,000	36,000,000
1919	843,000,000	77,000,000
1920	759,000,000	100,000,000
1921	616,000,000	94,000,000
1922	557,000,000	122,000,000
1923	532,000,000	111,000,000



CORRELATION BETWEEN CROP RETURNS AND BUILDING PROGRAM

Germany May Re-impose Old Agricultural Duties

In order to assist the development of German agriculture, the German government proposes to re-introduce the duties which existed on certain products before the war, but which have not been operative since the beginning of the war. The chief commodities affected are rye, wheat, barley, oats, potatoes, cattle, sheep, pigs, meat and bacon. To compensate the consuming public for the increase in the prices of food products which would inevitably result, the government proposes to reduce the turnover tax from 2½ per cent. to 2 per cent.

In addition to the commodities mentioned above, the revival of the former duty on flour is suggested. The rate on flour was almost prohibitive, and it is unlikely that the full duty will be imposed, as Germany cannot fill her own requirements of this product.

While there is yet no assurance that the proposed tariff change will be introduced, it seems certain that at least some of the duties will be revived. As the matter has to pass the special agricultural committee of the legislature, it is probable that the new tariff, if introduced, will not become operative until autumn.

New Brunswick Has Much Unsold Lumber

ST. JOHN.—While there is now a little better movement of lumber, the trade in New Brunswick this year has been very disappointing. The mills have gone on cutting, but large quantities are piled up, and a good deal is not sold. The new Brunswick Lumbermen's Association met recently and decided to curtail its production 35 to 50 per cent. in the coming season, to enable the markets to recover. The lumbermen complain that lumber cannot be profitably produced at present prices, because of the high rates of stumpage and the high charges under the Provincial Compensation Act. What effect a settlement of the European tangle may have on construction, and the demand for lumber is an interesting subject of speculation, but does not affect present conditions. A few steamers have lately been chartered to load lumber for the other side.

HEAVIER SALES OF LIVE STOCK EXPAND REVENUE

Although Prices Are Lower Income is Larger This Year

Although last week's marketings of livestock were somewhat below the figure for the same week last year, the total sales throughout the country, from January 1 to date, continue to be considerably above the figure for the same portion of last year. Sales of cattle were 431,958, as against 413,615 last year. Through-billed cattle totalled 112,691 since the first of the year, while last year's figure was 85,140. The number of calves sold this year was 179,992, in comparison with 151,164 last year. Hogs reached a total of 747,278 as against 606,628 for the same period last year. The only live stock reduction was in the case of sheep, marketings of which dropped from 142,167 last year to 126,082 this year. In the aggregate, the volume of sales is seen to be very much higher this year than last.

The prices of live stock are in most cases below last year's prices. The top price of butcher cattle this week was $7.40, as against $8.00 for steers of 1,000 to 1,200 pounds. Veal calf prices have fallen from $12 at this time last year to $10 last week. The price of bacon hogs on the Toronto market reached a price almost a dollar higher than at this time last year, while in other markets the present price is lower than last year's. Choice lambs have increased in price in almost all markets.

Only a cursory study of the above figures is necessary to show that the revenue which has been received for live stock this year is considerably above that of last. With prices showing a tendency to react to the higher grain and hay prices, indications are for a period of better farm returns, and hence, better business in the rural parts of Canada.

DECREASING RETURNS NOT SERIOUS MENACE

Law Applies to All Industry as Well as to Agriculture, According to Economists

Introducing the subject of the principle of decreasing returns in agriculture at the convention of the British Association for the Advancement of Science, last week, Prof. Fay, of the University of Toronto, made some interesting and pertinent observations which have a bearing upon the development of agriculture in Canada.

The law or principle of decreasing returns, which means, in substance, that a point is reached in every country when the application of equal additional units of labor or capital to land will not yield equal additional units of revenue, but smaller increments, presents a gloomy outlook if applied just as it is stated. What we are interested in is whether or not it applies to Canada, and if so, whether the point when decreasing returns begin, has yet been reached. It was pointed out by Prof. Fay that Canada cannot continue to grow wheat on the basis of the 1923 output, at 1923 prices and costs. This means that certain precautions can be taken, and adjustments made to nullify the effects, to a great extent, of the decreasing returns. While admitting that there is such a tendency as the principle implies, the solution, according to Prof. Fay, is to be found in the concentration of capital resources, the lowering of costs and organization. When the farmer fully appreciates the general relation of agriculture to industry as a whole, it was urged, he can better adapt his output to the needs of the country. By rational organization, the farmer can get as rightful a share of the total output as organized labor obtains from industry. In enlarging upon these points, it was suggested by some of the other speakers that the progress of agriculture will depend upon:

The altering of conditions to suit markets.

Co-operation and the use of labor-saving devices.

Rational use of fertilizers.

Planting remunerative varieties of crops.

More careful reasearch with a view to avoiding waste.

Fuller consideration of public requirements.

Acceleration of crop maturity.

Due ascertainment of the most advantageous unit in each line.

Economy of transport.

Proper arrangement of farm buildings.

The application of power.

Organized opposition to the spread of diseases and weeds.

WOOL REQUIREMENTS MAY EXCEED SUPPLY

Conditions Abroad Are Making For Better Prices—Good Wools Are Not Plentiful

In a statement recently issued by the Co-operative Wool Growers Ltd., Toronto, it is stated that world conditions tend to indicate a prospective shortage of the better grades of wool. As Canadian and American prices are largely determined abroad, it should have a buoyant effect upon wool prices here. The article concludes thus:

"In view of the conditions in many of the large consuming centres, the strong position of wool has made itself felt in the way prices have been maintained. Dullness in Bradford, disturbing fluctuations in exchange in Europe, Japan with her reconstruction schemes, presidential election year in the United States, have all affected adversely the general consumption of wool. The demands of these countries are likely, therefore, to assume heavier proportions eventually. Good wools are not plentiful, and any further demand should help materially towards the maintenance of firm wool values. In Canada the wool clip this season is, we judge, easily 20 per cent. below that of 1921, the total present clip being estimated at twelve million pounds. Throughout Ontario, Quebec and the Maritime Provinces wools have been coming in freely for the past two months, with upwards of a million pounds of these wools having been received by the organization. From the west, wools have only recently commenced to arrive at the Weston warehouse."

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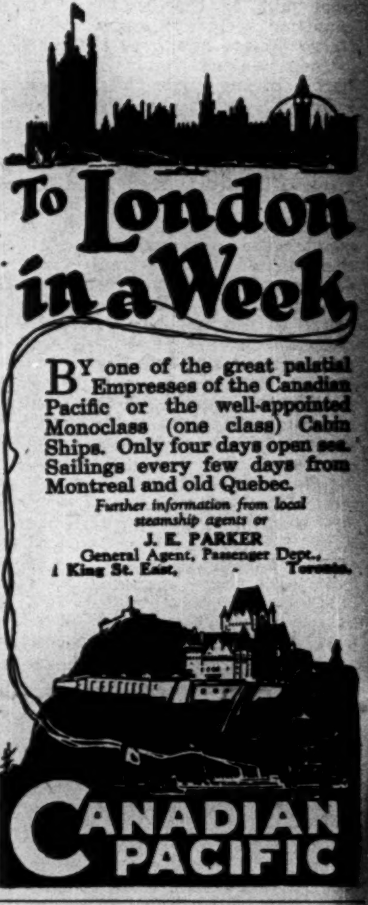

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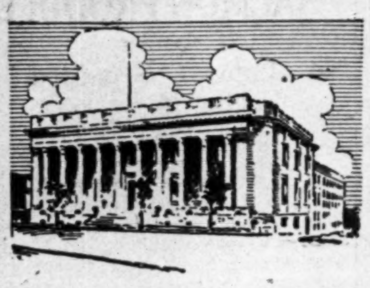

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DEFICIT FOR C. N. R.

Bad business on the U. S. lines of the Canadian National Ry., may result in an operating loss of $13,000,000 to $15,000,000 this year, according to a statement made by Sir Henry Thornton in Calgary. A material revenue increase marked the first three months of the year but the second quarter saw a 10 to 15 per cent. falling off.

RICH TREASURY ENCOURAGING TO STRIKE PROGRAM

Toronto Printers' Committee Extravagant With Millions

HELPED THEMSELVES

Men Appointed to Conduct Strike Increased Their Appropriations—Strike a Mistake.

To judge by the revelations in connection with the affairs of the International Typographical Union, bearing on the strike staged four years ago for a 44-hour week and higher wages, it would seem that a wealthy treasury is a doubtful benefit for the rank and file of the members. In Toronto the sum of $1,900,000 has been distributed in connection with the strike. It was brought out that not only were the funds recklessly dispensed to those who were not bona fide strikers, but that members of the several committees appointed by the union to conduct the strike drew allowances of $9 to $19 a week above the strike benefits. Further evidence that the wealthy treasury was a possible factor in the calling of the strike was the statement of President Howard, that the first serious mistake in connection with the strike in Toronto was that there was a strike at all.

It was because of "extravagance unequalled in the history of the American trade union movement," that a committee was appointed at the international convention at Toronto last week, to investigate the financing of the strike.

The committee report dealt with the expenditure of $1,900,000 by the Toronto Typographical Union in forty months, and expended in a manner which would not bear scrutiny in a court of law, according to an auditor's report to the union.

Many Faked Claims

To answer the charges of men who had carried on the strike for months at a personal sacrifice, and on the instructions of the Executive Council of May, 1921, the chairman of the committee presented a voluminous report upon the manner in which money was spent, and read the cases of individuals who were stricken from the strike rolls by an organizer sent to Toronto in 1922.

The first case he cited was that of a man who drew $2,059 before he was struck from the rolls. The man was a machinist by trade, and was found by the organizer to be working as a waterworks' inspector outside the city. The second case was that of a printer who came from Albany to get work after the strike was declared and drew $1,306 before he was taken from the pay roll.

"Here is a man who was in England when the strike broke out," continued the chairman. "He drew pay for 110 weeks before he was discharged, which amounted to $2,319. His relatives wrote to England and told him there was a strike on in Toronto, and that the I. T. U. was paying big strike benefits."

Strike a Mistake

There were many other cases of a similar character cited, and the general point was made that members of the strike committee had drawn allowances greater than the scheduled benefits. The report drew the observation from President Howard that had the strike been efficiently handled there would now be sufficient funds to pay the Toronto strikers. Regarding the mistake in Toronto in going on strike at all he said:

"There have been serious mistakes in connection with the strike in Toronto. The first mistake was that there was a strike at all. On May 1, 1921, representatives of the I.T.U. were advised by telegrams, which are on record at headquarters, that they could either demand the scale for 44 hours or they could accept a pro rata reduction. Instead, they demanded an increase of $9 and a reduction of four hours. I am told by members of the Toronto union that it was the demand for the 44-44 that brought on the strike. The members of the Toronto union suffer to-day for the mistakes of the men who were in office when the strike occurred."

BRITISH BUILDING TRADE IS TIED UP

Work Stopped on 50,000 Houses; 250,000 Workers Out—Appeal Fails

LONDON.—The greater part of the English building trade is at a standstill. Building of some 50,000 houses is suspended, and some 250,000 workers are out. This is the answer of both builders and trade unions to the government's appeal for co-operation to meet the urgent housing shortage with its program for 2,500,000 houses.

The two chief causes of the dispute are, first, that both builders and trade unions wish to consolidate their position before government control takes place; second, that certain sections of workers want to obtain special wages and working conditions for themselves, apart from those decided upon by their responsible national bodies.

Liverpool operatives are claiming an increase of 6d. an hour over the standard national rate, and it is their strike on this account which has caused the employers to declare the lockout.

An official of the National Federatoin of Building Employers said that the federated employers account for about 75 per cent. of the total industry, and that about half of the 700,000 operatives were affected by the lockout.

A deadlock has ensued, and the outlook is not hopeful, as the employers insist that the Liverpool difficulty must take precedence of other matters in the further conference which is to be held this week, while the workers declare it is insoluble by the national bodies. The employers are determined to uphold the principle of national settlement. It is said that once the Liverpool men come into line, there should be little difficulty in finding a solution of the other disputes.

THE LATE RAINS SAVE CORN CROP IN SASKATCHEWAN

Greatly Increased Acreage to Help Total Yield

From Our Own Correspondent.

REGINA.—Last year the first provincial corn show ever held in Canada was held in Saskatchewan, the exhibits and attendance far exceeding the most sanguine hopes of the department of agriculture and the local committee responsible for the show. Within the last few years there has been a great increase in the acreage planted to corn in the province, and the success of last year's show with the organization of a permanent provincial corn growers' association resulted in a larger increase in the acreage this spring. Corn growing is associated with permanent agriculture and the discovery that corn could be successfully ripened and seed of high quality produced in comparatively large quantities in the West resulted in a largely increased acreage this past spring. Unfortunately the season, unfavorable for all grains, was so poor and backward that corn had a very poor start, the severe drought affecting the growth until it appeared as if the Saskatchewan corn crop of 1924 would be almost a complete failure.

However, the abundant rainfall of the past weeks, with subsequent warm weather has resulted in the corn making such rapid progress and such unexpected recovery that it promises to equal last year's record yield. Best of all, in districts where there will be little or no seed corn ripened, a great deal of feed will be secured. G. H. Hoffman, of Maple Creek, Saskatchewan's "Corn King," who won the championship last year, declares that he has never grown so much feed as this year, although it is questionable whether he will have any seed of as high a quality as he exhibited at the Maple Creek corn show and the Chicago International.

The association is preparing for the second annual corn show to be held at Swift Current in November. Nearly 200 prizes will be distributed, in addition to cups and trophies, and several new competitions will be put on this year, including a special competition for boys.

BREAK IN RANKS OF ALBERTA MINERS SAID TO BE NEAR

Proposal of Minister of Labor Rejected by Operators

From Our Own Correspondent.

CALGARY.—The joint conference between the coal operators and miners' officials here in connection with the coal miners' strike proved abortive. James Murdock, minister of labor, made a suggestion to the miners' officials which would mean a slight reduction in wage so far as underground men are concerned, but operators emphatically declared that such a concession would not be acceptable to them. There is, therefore, nothing to indicate that the end of the strike is in sight. Unless the miners are prepared to agree to a cut of $1.17 per day, which is only about half of the award of the Knowles' Conciliation Board two years ago, the strike will continue for an indefinite period. Operators state that with non-union mines paying their employees more than $2 a day less than they would be called upon to do under the old scale of war-peak wages, that they would simply be forced out of the industry.

A grave situation is arising so far as the rank and file of the miners themselves are concerned. They have been led to believe by district officers that the operators have for some time past been on the point of granting their demands, especially those in the domestic coal fields, and they have been buoyed up with that hope. When the result of the joint conference is known some expect it will result in a break in the organization.

Already at a number of the camps the miners have approached the operators to fix up an individual contract with them on the terms stipulated by the latter.

New Zealand Buys Many Canadian Motor Cars

WASHINGTON.—The dominant position which American makes of cars and trucks hold in New Zealand is shown by the fact that Canada accounted for 60 per cent. of the motor vehicles imported into New Zealand in 1923, and the United States for 35 per cent., compared with 4 per cent. for the United Kingdom and 1 per cent. for Italy. The proportions have steadily increased in recent years in favor of the United States and Canada. In 1922 Canada supplied 53 per cent. and the United States 36 per cent., compared with 8 per cent. from the United Kingdom and 3 per cent. from Italy. These percentages are, in general, borne out in the case of Auckland, where 1,054 of the total 1,468 vehicles imported came from Canada, 290 from the United States, 53 from Great Britain and 1 from France.

NEW GAMBLE IN GERMANY'S BONDS ON DAWES REPORT

Some Startling Profits Are Drawing on the Speculators

DANGEROUS GAME

Investment Houses Are Warning Customers to be Careful—Situation May Not Improve

The resumption of speculative transactions in German municipal and industrial securities on a broad scale has brought with it a speculative demand for German Imperial Government war loan bonds which, according to houses specializing in German securities, is the most prodigious since the signing of the peace treaty; this in spite of the fact that many dealers in foreign securities have consistently advised against the purchase of such bonds on the ground that the present German government would probably never be able to redeem them except at a large loss to the war-time investor.

One of these dealers, who has been buying and selling German securities in New York for upward of twenty years, says that his transactions in German war loan bonds have ranged from a million to a hundred million marks, all made this year and many of them within the last two months. One customer, an Italian, who had bought on sheer speculation 100,000,000 marks of these bonds several months ago for $700, or at the rate of $7 a million, was recorded on the books of this concern as having realized $170,000 for their sale a few days ago, a profit of 9.900 per cent. City of Hamburg bonds, also of the German paper mark denomination, had been purchased at $10 a million, and sold for $500, a profit of 4,900 per cent. A surprising number of Italians as well as Germans were credited with the buying and selling of these and similar securities.

Advance is Speculation

Referring to the boom in the Berlin security market a despatch to the New York Times say that for the rise there have been only vague, sentimental reasons, mostly optimism over the Dawes Report. The German government, it is said, has no intention of restoring these loans, yet knowledge of that fact did not prevent the forced loan of 1923 from quadrupling its quotation in four days while the price of the war loan and other similar securities doubled. The German financial press warns the public that all this is pure speculation, and there has already been some reaction from the highest prices. The rise of banking, industrial and shipping shares seems to be better justified.

A London cable to the Times reports that there is still a large body of people in England ready to gamble on the future of Germany, as indicated by the bidding up of security prices. Buying has been on the idea that the German government, in order to insure the success of a loan, might make some offer of an advantageous character to holders of existing securities. Any such offer, however, it is pointed out, would be quite voluntary, and there is little prospect of its being made. Buying of these securities according to a New York investment house, has become nation wide:

"We have analyzed our books carefully, and have found that about 70 per cent. of the buyers of German securities a year ago were people with German names, and 30 per cent. those with American names. The same is true to-day. But of the volume of transactions in dollars, about 80 per cent. are American and the remainder, or 20 per cent., German.

"All such transactions in this country are, of course, in terms of dollars. In Germany they are in marks, but here it is necessary to explain that the transactions in Germany are not in what many people suppose still to be worthless paper marks, although the mark is the currency unit used. The Berlin Boerse quotes all securities in percentages of the rentenmark, which to-day is quoted at approximately par, or about 23.8 cents. Paper marks are exchangeable on demand at the Reichsbank at the rate of a trillion marks for one rentenmark. Thus, while the rentenmark has a dollar value equal to the pre-war value of the gold mark, the paper mark has an equally constant pre-war value, and people who deal in stocks and bonds on a paper mark basis find they are actually buying or selling on a gold basis.

"The heaviest transactions here are in the German municipal, industrial and bank securities. The municipal securities are favored because of the asset value behind them. In Germany, many of the cities own their utilities, and many of them have large forest reserves, and in the case of the seaport cities the warehouses and piers are city owned. The cities also have taxing power and large revenue sources from the city-owned projects which are uncommon in the United States."

The Grain Movement

OTTAWA.—Preliminary figures showing receipts at the head of the lakes also Vancouver, B. C., for the period from August 1, 1924, to August 8, 1924:

1924:

	Ft. William and Pt. Arthur	Vancouver, B.C.
Wheat	618,539	1,674
Oats	370,919	....
Barley	95,138	....
Flax	17,915	....
Rye	48,908	....
Totals	1,151,419	1,674

World shortage of wool production against consumption of over 300,000,000 pounds a year forecast by Australian Estates & Mortgage Co., stating high levels of prices will probably continue, stimulated by expanding demand in China and Japan.

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TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Ottawa.—The importation into Canada direct of hay, straw, forage, millfeed or other materials for use in the feeding of live stock from all countries other than the United States is hereby prohibited.

The importation into Canada via the United States of hay, straw, forage, millfeed or other materials for use in the feeding of live stock, from all countries other than the United States is prohibited unless such importations have conformed to such requirements as United States treasury department and department of agriculture have in force at the time of entry into the United States as would permit importation into the United States.

India.—The government of India has decided to refer to the tariff board for examination, applications for protection received from the following industries: Cement, paper and printer's ink, boots and shoes, and magnesium chloride.

Belgium. — The new Belgian tariff, which has already passed both houses of Parliament, is not expected to become effective before September and possibly not before October of this year. The customs authorities promise that ample time will be given between publication and effective date to allow due consideration of all protests. The coefficients of increase applicable to the old tariff will be maintained until the new tariff becomes effective.

Germany has released another long list of commodities from the articles requiring licenses for their importation.

Japan.—One of the first acts of the new cabinet that came into power on June 10 last has been the introduction of a new tariff bill intended to curb the imports of luxuries into Japan. The new bill has been drawn up by the departments of finance and agriculture and commerce and includes more than six hundred articles. Under the new tariff law, duties of 100 per cent. will be charged on the articles classed as luxuries. As to the possible results of such a high tariff, it is feared that some importers will have to go out of business, although in the meantime they will be able to derive exorbitant profits from stocks on hand.

Denmark.—The Danish duties on luxuries effective from February 1 to June 30, 1924, have been continued, except for dried fruits and certain other commodities. It is understood that these duties will remain in force until June 30, 1925. The duty on dried fruits previous to February 1, 1924, was 0.04 crown per gross kilo with tare allowance. The Danish luxury duty of 1 crown per net kilo on canned fruit has been continued until December 1, 1924.

Paraguay.—The Paraguayan Congress has again authorized the president to reduce the import duty on sugar. Owing to the high price of domestic sugar in the latter part of 1923, the president was authorized to reduce temporarily the duty on sugar by not more than 50 per cent. of the duty. On January 12, 1924, the duty was reduced from 0.07 to 0.035 peso per legal kilo, and this rate remained in effect until April 30, 1924.

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Customer Ownership

By FRANK Le ROY BLANCHARD, in address to Advertising Club, at London.

In the United States and Canada the growth of the gas, electric light and power, water and street railway industries, during the past decade, has been one of the wonders of the industrial age in which we live. When we consider that for five of these years the world was disrupted by a devastating war and millions of men were withdrawn from peaceful pursuits to fight the common enemy, we are astonished at the speed with which the business interests of the several countries most seriously affected adjusted themselves to changed conditions, and trade advanced to new levels.

Although money is money, no matter where it comes from, the organizers and managers of public utility enterprises have recently discovered that it makes all the difference in the world whether it is obtained from a few rich men or from a large number of small investors, and especially from those to whom their service is sold. As the result of their experience they are practically of one opinion, namely, that the most helpful and, therefore, the most desirable shareholders, are their own customers.

The companies are in constant need of new capital for increasing the productive capacity of their plants and for lengthening their service lines. What group of people are in a better position to know the needs and opportunities of public utilities than the men and women customers who are in close contact with their business? The term customer ownership is solely applied to customers of a local public utility who have purchased its stocks or bonds.

Milan R. Bump, chairman of the customer ownership committee of the National Electric Light Association in his report, submitted at the May, 1924, convention, said:

"Customer ownership means more for the stability and permanence of investment in utilities; more for the satisfaction of the public served, and for the promotion of a proper understanding between the company and its customer-partners, than any other activity that has ever been attempted."

S. M. Kennedy, in his book entitled. "Winning the Public," declares that "the more people a company can persuade to think favorably of its business, the faster it will grow. As a man thinks, so will he talk, and a company with pleased customers will have many persons working overtime for it whose names do not appear on the pay roll."

Let us now consider some of the specific advantages of customer ownership from the viewpoint of both the company and the customer.

Advantages of Customer Ownership

1. It furnishes the company a market for obtaining at a minimum cost a portion of the capital required for improvements and extensions made necessary by increased demands for service.

2. It strengthens the credit position of the company. The more customers owning stock, the better informed the public will become concerning its finances and standing.

3. It stabilizes the market value of shares. It is better to have 10,000 customer-owners than 100 other owners for the reason that while a majority of the 100 stockholders might combine overnight to manipulate the market for their individual advantage, it would be an impossibility for a majority of the 10,000 to do so.

4. It affords customers an opportunity to acquire, for cash, or on the instalment plan, shares in small amounts in established and prosperous enterprises, and thus encourages thrift, develops a community spirit, and makes for better citizenship by creating a higher regard for the interests of others.

5. It is a source of strength for the company. The more customer-owners there are in a community the more impregnable becomes its position as a business institution.

6. It creates goodwill and thus contributes largely to the establishment of highly desirable public relations. If the service they receive is satisfactory and the rate they pay is reasonable, customer-owners are constant boosters of the company and its interests. They are its staunch defenders when its management or service is unjustly criticized. They often make suggestions for the improvement of the service and furnish leads for adding new names to the company's list of customers, or for the sales of additional securities to persons who are already shareholders.

7. Customer-owners are so many radiating centres of goodwill for the company. They are like the leaven which the woman hid in three measures of meal till the whole was leavened. If there is need for raising the service rate in a city where customer-owners are numerous, the public will not oppose the company's application to the public utility commission, because it knows from facts in its possession that the company is warranted in taking the step.

8. Another advantage of customer ownership is the influence it has in bringing about the defeat of movements designed to popularize the municipal ownership of public utilities. In a city where a fairly good distribution of the company's securities has been effected it is almost impossible for agitators to create a popular sentiment in favor of municipal ownership. Customers who have a number of shares hidden away in safe places do not favor the proposition. They have no confidence in the ability of municipal authorities to run successfully a business that requires technical knowledge and experience of a high order. They are confident that under the administration of public office holders the expenses of operation would be so greatly increased by the employment of two men to do one man's work, that in the end rates would have to be increased, or the city would have to face an annual deficit.

Progress of Customer Ownership

In Canada, and the United States, one hundred and eighty-five electric light and power companies, supplying 10,887,019 customers, have 652,910 shareholders under the customer-ownership plan. The number of shares thus owned amounts to 5,047,407. The average cost of selling was $4.60 per share. The total population in the territory served is 51,414,693.

Helps to Eradicate Socialism

Anyone who has lived in a community in which socialism and some forms of radicalism are prevalent knows that one of the best ways to overcome the hostilities of their advocates is to induce as many of them as possible to become shareholders in the local gas, electric light, and street railway companies.

Large Block of C. P. R. Stock Held for Sale

Behind the recent flurry in Canadian Pacific Railway stock is a story which stock exchanges are endeavoring to extract from official circles at Ottawa. The custodian of alien enemy property in Ottawa has a large block of this stock on hand and it is for sale. The exact number of shares is not stated, but they run into the thousands. They belonged to alien enemies and were taken over as part of the terms of the post-war settlement. Being a Canadian stock, they have found their way to Ottawa, and, when sold, the money will go into the public treasury as part of the reparations account.

It is understood that the custodian, desiring to sell the securities, has recently made inquiries quietly in financial circles as to what price would be offered. The quantity of stock is so large that if thrown on the market through the ordinary channels the price would be depressed, which would be bad alike for the market, the company, and particularly the public treasury.

While the inquiries which were being made were of a tentative and confidential character, the news leaked out in some way, and the recent rise in the price of C. P. R. stock is believed to be attributable to this fact. Several American institutions are understood to be after the block, but as yet there has been no decision as to when, or at what price the sale will take place.

Railway Earnings

C. P. R.	Week Ending Aug. 18
1924	$2,998,000
1923	3,565,000
Decrease	$ 577,000

C. N. R.	Week Ending Aug. 14
1924	$4,069,974
1923	4,928,491
Decrease	$ 858,517
1924 to Date	
1924	$142,927,703
1923	144,390,972
Decrease	$ 3,463,269

News and Views for Investors

LEADING STOCKS IN MOST GROUPS SHOW MATERIAL ADVANCE

Analysis of Last Week's Trading Shows an Upswing

A marked change took place in the Canadian market lists during the past week, as the table following shows. There were 46 stocks to show advances, the majority of which were of a material nature while only 14 registered declines and of the latter, nearly half were in bank shares. It is also noticable that the advances were scored by the leading stocks in the various groups. These advances differed considerably from other material advances recorded of late where the stocks were subject of some special news. This would apply to some of the week's advances, but not to all of them.

Taking each group, four bank shares advanced a total of 3 points while six declined 9⅜ and the latter included some of the best issues. Brokers could not account for this, except to surmise that some of the selling was to get funds for business and more speculative investment in anticipation that there might be a market rise.

Six of the paper group moved up 15¾ points, Abitibi 4, Brompton 1½, Laurentide 2½, Price Bros. 3¼ and Wayagamack 3½. Two stocks declined, Howard Smith preferred selling down 2 points for a small lot. The Steel group was perhaps the weakest and most neglected. Two milling shares scored strong advances, Lake of Woods common 3¼ and Maple Leaf Common 3½. Six utility issues advanced for a total of 15 points, Montreal L. H. and Power taking one of its periodical spurts to 174½ for 5 points while Quebec Power moved up 5⅜ and Shawinigan 2¼. Transportation group showed a general advance. Toronto Rails and D. U. R. with two point jumps were the leaders. Three textiles, Canadian Converters 3⅛, Dominion Textile 4 and Penmans 3½ were also important. Industrial changes were important though not as numerous in proportion. Asbestos, common and preferred were up 5 and 9 points respectively; both Rogers issues were higher, while Sherwin-Williams which broke severely at the beginning of the week to 109,115 the opening bid, sold up again to 118-119.

The table:

Group	Gains	Losses	Unch.	T'tal
Banks	4	6	1	11
Paper	6	2	3	11
Steel	3	2	12	17
Milling	3	0	8	11
Utilities	6	1	5	12
Transportation	8	2	8	18
Textiles	3	1	11	15
Industrial	13	0	32	45
	46	14	80	140

The street leaders in New York seem to think that their market is now at the point where it can be generally referred to as high. This is not the case with the Canadian lists, however, as the movement in the U. S. has been much faster and steadier than on the Canadian lists. There are fears of inflation on the other side. If this is the case and a sudden break comes, it is bound to be reflected here, especially as cheap money is playing an important part in the Canadian market as well as across the line. Hayden and Stone have this to say:

> The market has grown to such large dimensions, representing so many different groups of industry that to any general statement there are bound to be numerous exceptions. It is readily conceivable, indeed, within the past year it has been actually the case that one or more groups could be quite active and prosperous and others, for reasons particularly affecting them, decidedly indifferent. This is apt to continue to be the case in the future so far as any general statement can be made. However, we feel that stocks have been selling quite as high as revived activity and moderate degree of profit would warrant, that excess ease of money has tended in some cases toward inflation of prices not entirely warranted and that some period of readjustment should ensue before large speculative commitments are warranted.

Checking up the brokers' loans on stocks these figures indicate that while they have had a material expansion in the U. S. market, it is still below the point where it was a year ago, judging by the loan totals. The total brokers' loans in New York to-day are $1,350,000,000 or $650,000,000 below the peak of a year ago. However, there is this point, time money has been so cheap in the U. S. that many brokers have switched their loans to time loans and if these were totalled, the story might be quite different.

CYANAMID EARNINGS LOWER

American Cyanamid for the year ending June 30 showed net income of $1,555,513, after charges and taxes, equivalent after preferred dividends to $18.48 a share on the out-standing $6,594,300 common stock, as compared with $2,009,957, or $25.38 a share, for the previous period. Net sales are slightly higher than the previous year at $8,853,614, against $8,582,078, but cost of selling was higher at $6,540,636, compared with $5,936,679. The balance sheet shows cash of $881,980; accounts and notes receivable and government securities, $1,242,868; investments in subsidiaries, $4,115,839; and total assets of $15,815,766. Accounts payable are shown at $833,089; reserve for contingencies, $974,595; and surplus, $1,039,267.

TRAIL ORE RECEIPTS

	Week Aug. 7	1924 to date
Company's mines	7,062	259,273
Other mines	769	23,887
Total tons	7,831	283,160

General Electric People Buying Allis-Chalmers

Heavy buying of Allis-Chalmers shares in New York is said to be on the part of large holders of General Electric. The character of the business and close relationship of the two concerns is said to be back of it. Canadian General Electric, now controlled by General Electric, owns Canadian Allis-Chalmers. In 1913, Canadian General Electric concluded a contract with Allis-Chalmers giving it the exclusive right to manufacture and sell in Canada all of the apparatus manufactured by the Allis-Chalmers Co. Allis-Chalmers shares are said to have a book value of $152 a share.

SPANISH RIVER SHARE HOLDERS AGAINST MERGER

Thinks Proposed Union with Abitibi Not on Equitable Basis

From Our Own Correspondent.

MONTREAL.— The Abitibi-Spanish River merger that is being discussed will not be effected with the acquiescence of large Montreal holders of Spanish River, and these have already signified their opposition to the scheme at present in contemplation. The merger is being sponsored chiefly by Chicago interests.

The tentative plan that is under discussion but which has not by any means reached a stage of definiteness calls for the formation of a new company to take over both Abitibi and Spanish. The new organization would have a capitalization of $70,000,000, of which $30,000,000 would be issued to Abitibi and $40,000,000 to Spanish River. In addition, all outstanding bond issues would be retired and new bonds issued as a mortgage on the combined properties.

Savings on Bond Interest

From the standpoint of bond financing the plan is excellent, for both Spanish and Abitibi have 8 per cent. bond issues that could be retired with the proceeds of new issues that could be put out around 6 per cent. The saving in interest charges would go a long way towards offsetting some of the disadvantages that follow in the trail of any merger. Undoubtedly there would be other advantages in combining the two companies as regards wood-cutting operations, management and purchasing, and in providing a dominant controlling influence in the newsprint market. The company would have a daily capacity of 1,200 tons a day, equal to the newsprint output of the International Paper, and larger than the present production of any Canadian newsprint company.

Where the plan meets opposition is among Spanish shareholders, and among Canadian stockbrokers and bankers—from the first group on account of the declared inadequacy of the proposition suggested for Spanish shareholders, and from the second group on account of fears of inability of the Canadian financial markets to care for such a large proposition.

The scheme as outlined would make it possible to give Abitibi shareholders six shares of stock for each five shares now held. Spanish shareholders would get about two shares of new stock for each share of common now held, and two and a quarter shares of new stock for each share of preferred now held. There would only be one class of stock in the new organization.

Increasing Dividends

At first glance this seems satisfactory. The new stock would likely start on a five per cent. dividend basis. This would mean the equivalent of an increase in Abitibi's dividend from $4 a share to $6 a share, in Spanish common from $7 to $10, and in Spanish preferred from $7 to $11.25. Earnings of the combined companies are on a basis to justify this increase.

Spanish shareholders think that the present rate of earnings of their own company justifies similar dividend increases for them; that, in fact, Spanish will in the course of time give the shareholders much more than they have now in market value for their stock or dividends on their stock.

The chief support of the merger has come to date from one group of shareholders. Alexander Smith, of Chicago, who is head of the bond house of Peabody, Houghteling and Company, is largely interested in both companies. He is probably in a position to swing a deal from Abitibi's standpoint, although control of Spanish is more widely scattered.

Another objection being voiced is that the merger would provide a new stock for the market that would be too big for the ordinary banking structure of the Canadian stock markets to handle in time of emergency.

STEEL OF CANADA MOVES

Steel of Canada has advanced 2¾ points to 75¾. This is following the performance of such stocks in the New York list as crucible, Republic and Bethlehem, and the street says it is justified when one compares the earnings, records and financial position of these companies to Steel of Canada. The expectation is that Steel of Canada's showing for the current year will be about the same as for 1923, which was good enough to repay the balance sheet a substantial amount of the sum drawn from it to provide for the common dividends in 1921 and 1922.

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Textiles

WABASSO PROFITS SMALLER IN YEAR NEW MILL OPENS

Heavy Capital Expenditures Have Cut Into Liquid Assets

From Our Own Correspondent.

MONTREAL.—The annual report of Wabasso Cottons was greeted with mixed feelings this week. Considering world conditions in the textile industry, no one had expected a report quite as good as those presented in previous years, although it was expected that earnings would be well maintained. This was borne out by the figures issued, and the Wabasso management is to be congratulated on being able to earn its full dividend and to meet full interest, sinking fund, and depreciation charges as well.

Less satisfactory, though, was the decline in working capital. This is, of course, due to the heavy expenditures made by the company in adding a third unit to its Three Rivers mill. That this addition was justified seems to be indicated by unofficial reports to the effect that the new mill was able to operate on a satisfactory scale during the year, but the shareholders were hardly prepared for such a decline in the liquid resources of the company, especially as an issue of bonds had been made, apparently to provide much of the cost of the extension. The actual working capital is difficult to arrive at. In previous years a loan from a subsidiary cotton spinning company has been shown as a current liability, but has this year been shown otherwise. Including it as a current liability, working capital shows a deficit of some $100,000, as the following comparative table indicates:

	1924	1923	1922
Cur. assets	$1,119,431	$1,284,861	$1,466,029
Cur. liab.	1,236,432	x 619,472	480,635
Work. cap.	†$116,999	$65,389	$ 985,394

†Current liabilities in excess of current assets.

xIncludes item loan from St. Maurice Valley Cotton Mills, Limited, this item at present statement being shown separately from current liabilities and not included as it was in the previous statement.

The Earnings Compared

Operating profits for the year amounted to $265,192, compared with $303,179 in the previous year, whilst interest on investments was $96,644, as against $113.699, making the total income $361,836, as against $416,876. After meeting depreciation, bond interest and sinking fund, net profits for the year amounted to $143,152. This compares with $206,954, against which dividends at the rate of 4 per cent. calls for an expenditure of $140,000.

The profit and loss account for the past three fiscal years compares as follows:

	1924	1923	1922
Oper. profits	$265,193	$303,177	$347,550
Interest on inv.	96,644	113,700	48,464
Total income	$361,838	$416,877	$396,014
Depreciation	100,000	100,000	100,000
Bond interest	103,685	94,922	52,240
Sinking fund	15,000	15,000	......
Net profit	$243,153	$206,955	$243,774
Dividends paid	140,000	140,000	140,000
Surp. for year	$ 3,153	$ 66,955	$103,774
Prev. surplus	613,110	546,156	442,382
P.&L. surplus	$616,263	$613,110	$546,156

Extensions that were made to the Three Rivers plant during the past year, in the form of a new mill, are reflected in the valuation of property of $3,010,201, compared with $2,166,715, an increase of nearly $850,000. The valuation of plant in the past two years has gone up $1,268,000.

Lower Prices in the Face of Higher Costs

NEW YORK.—Average price of American Woollen Co.'s new lines for next spring is 7 per cent. lower than a year ago, and 2½ per cent. lower than the prices quoted six months ago for its fall line. The price of No. 3192, the company's pivotal staple worsted is $2,62½, 5 cents off from the fall price, quoted six months ago, and 25 cents off from the price a year ago.

Reduction in American Woollen's prices on its new lines for next spring is made in the face of a advance of about 10 per cent. in the wool market in this country, and firm markets abroad. Thereby officials hope to stimulate buying on the part of the many in the wool trade who agree with the recent pronouncement of Vice-president Cornelius Wood that "There is nowhere anything to indicate a recession in prices" in textile lines, and with his predictions of larger activity in the industry in general, in view of depleted stocks of retail distributors throughout the country.

FRASER RIVER IS PASSING AS A BIG SALMON PRODUCER

No .Longer Regarded as Factor in Sockeye Pack.

From Our Own Correspondent.

VICTORIA. — British Columbia's salmon pack was heavier last year than the year previous, but the figures appear to be insignificant when compared to those of the days when the Fraser River fisheries were in their prime. There is no longer any doubt that the Fraser River, once regarded as one of the world's most important sources of food fish, is rapidly becoming exhausted. The catch of salmon is growing less and less each year, and experts declare that unless the British Columbia and Washington state governments quickly carry out measures for protection of the species for a few years, there will soon be an end to the once-famous Fraser River salmon.

According to the official figures just given out by the provincial government, the total salmon pack last year was 1,341,677 cases, and in 1922 1,290,326. The substantial gain was due to larger packs of pink and chum salmon, seventy per cent. of last year's pack consisting of those two grades, regarded as inferior to the sockeye. The salmon pack of all species on the Fraser for 1923 totalled 226,869 cases, 31.655 being sockeye. The pack of sockeye in American waters of the Fraser system totalled 47,402 cases, the smallest yet recorded there. The total sockeye pack in the entire Fraser system was but 79,057 cases. The Fraser is no longer regarded as a factor in the sockeye pack. The mild cured salmon pack of 1923 produced 1,819 tierces, totaling close to 1,465,200 pounds. Salmon marketed in the frozen state totalled 7,396,943 pounds.

STAGE CLEARED FOR REVIVAL OF WESTERN EUROPE

(Continued from page 1)

of Government securities, were 235,500,000 gold marks, a surplus of 37,700,000 gold marks. Since April 1 the total revenues were 1,949,000,000; total expenditures, 1,722,700,000; leaving a surplus of 226,300,000 gold marks. Government securities repurchased during the first 20 days of July amounted to 5,100,000 gold marks, and during the fiscal year to 228,800,000 gold marks. Deposits of 3,000 savings banks at the end of May were 239,000,000 gold marks, an increase of 29 per cent. above the figure for April 30.

The French Situation

In regard to the French situation, the article proceeds:

> Cotton manufacturing is calm, but the business in combed wool is exceptionally good. The demand for noils is fairly regular, but woollen spinning and weaving continue slack. Silk factories are fully occupied, and silk throwers have an excess of orders. The demand for artificial silk is regular. The business in tulles and leases is satisfactory, due mainly to large orders from the United States. The market for hides and skins is irregular, and the prices of raw sheepskins are weak; those of tanned leather, high. The market for fine skins is dull. Retail sales of shoes are satisfactory and shoe factories are calm; orders for the winter are arriving slowly. Conditions in saddlery, harness, and carriage making are unsatisfactory.
>
> The Micum coal and coke agreement was renewed, dating from August 1. Local coke supplies evened the present requirements for French consumption. July production of iron and steel is expected to show a decline, owing to slackened domestic and export demand. There is a good export demand for semifinished steel products, but competition is difficult with Germany and Luxembourg as regards finished steel products. Mills are promising from four to eight week shipments on average specifications. Manufacturers of finished steel products have some difficulty in keeping their mills busy, but the plate mills are fully occupied and orders are booked well ahead, buyers having some difficulty in securing delivery of sheets.

Iron and Steel

GERMAN REVIVAL CREATES DEMAND FOR STEEL GOODS

Canada Should Benefit From Increased Consumption of Iron Products

By LUTHER BECKER,
U. S. Department of Commerce.

The adoption of the Dawes plan will have an invigorating effect upon the international iron and steel industry. The good results may not be immediately visible in the shape of increased world production of iron and steel, but enhanced German and European purchasing power is bound to result in increasing demands for products of these commodities.

An attempt to forecast as to what countries will more greatly benefit by the increased world demand is difficult. Adjustments may be influenced by political rather than economic issues, or more likely, by both, with either in a subordinate position. However, certain facts are known from which the reader may draw his own conclusions.

Germany produced, in round numbers, 16,800,000 metric tons of pig iron and 17,500,000 tons of steel ingots in 1913. Of these amounts Germany, exclusive of the Saar and Eastern Upper Silesia, contributed about 10,900,000 tons of pig iron and 11,600,000 tons of ingots. From those unofficial production statistics which are available, in post-war years Germany has not equaled these figures—the output of pig iron being approximately 60 per cent. in 1920 and 1922, and that of steel ingots 60 per cent. in 1920 and approaching 80 per cent. in 1922, based on the 1913 figures given above.

Of the ore imported for the 1913 total production, 5,000,000 tons came from France, Luxemburg, and Alsace-Lorraine; 4,800,000 tons from Scandinavia; 3,600,000 tons from Spain; and about 1,700,000 tons from other countries. In 1922 the sources were different, Scandinavia contributing 5,500,000 tons, France with Alsace-Lorraine 2,000,000, Spain 1,300,000, Luxemburg 750,000 and other countries 1,450,000 tons.

A tonnage of pig iron and steel ingots equal to the amounts produced in present Germany was consumed in 1920 in rolling mills, steel works, and foundries. This was also true in 1913. In other words, German industries produced finished rolled products, forgings, castings, machinery, rolling stock, hardware, tools, etc., in quantities equal to its output of crude and semi-finished iron and steel. It is generally assumed that its steel works and finishing plants can consume more crude and semi-finished material than it has furnace capacity to produce.

It might be well to consider at this point the present producing capacity of the countries whose output of pig iron places them in a major group. The figures in the statement which follows are based on actual accomplishments and not on estimated furnace capacity; for example, the blast-furnace capacity in the United States has been estimated at from fifty-five to sixty-five million tons, but last year (1923) a record tonnage of a little more than 40,000,000 tons was reached. The five principal pig-iron-producing countries, showing the capacity of each, are given below.

	Tons
United States	45,000,000
Germany	10,900,000
Great Britain	10,500,000
France with Lorraine	9,000,000
Belgium and Luxemburg	5,000,000

Of these five groups the first three have finishing mills and plants which are equipped to consume all, if not more, than the given quantities of iron. The last two have been exporting pig iron and semi-finished steel.

It seems clear, then, that if Germany does not make any further addition to its furnace plants the situation to-day is unchanged, generally speaking, from that of 1913, except that for its finishing works it may draw from districts (Lorraine and Luxemburg) which in 1913 were a part of its whole unit.

The world's three largest iron and steel units are the United States, Franco-Germany, and Great Britain. The first two are practically self-contained, i. e., including ores and coal for the development of this industry from crude to highly finished manufactured articles. The British unit is a marked example of a great industry which draws raw, crude, and semi-finished materials from all parts of the world destined for its manufacturing plants. It is a question as to whether international politics had much to do with the actual development of these three greater units. It seems almost certain that they could have had little adverse effect on their growth.

In the beginning an iron and steel industry centres itself as close as possible to its source of principal raw products—ore and coal. With the exhaustion of coal and ore resources the highly developed and valuable finishing plant may continue to operate, drawing materials from a greater distance, but hardly without increased cost of these same raw materials. Considering present ore and coal resources and existing rough and finishing, as well as finish manufacturing plant and equipment, there can be no question but that the maintenance of the Franco-German unit will result in economy in production.

An analysis of 5,000,000 tons of Germany's iron and steel exports in 1913 shows that 3,750,000 tons went to European countries, including Great Britain; 650,000 tons to British India, Australia, and the Far East; and 400,000 tons to South American countries.

With a stabilized situation in Europe and international credit and confidence restored, world purchasing power will be enhanced. European countries will demand larger quantities of raw materials from all parts of the world, supplying those sections with the funds for the purchase of finished materials and a further development of their natural resources.

"Pittsburgh-Plus" Passing Cannot Hurt Canada

The order of the U. S. Federal Trade Commission that the U. S. Steel must abandon its policy of one price for the steel made at all its plants, i.e., Pittsburg prices plus freight, or as it is more commonly known, "Pittsburg-Plus," is creating much discussion and will go to the courts. The fact is, that this system was more talked of than actually practised, especially in such times as these and competition is keen. As an example it is stated that Chicago prices have been off this basis for over three years. It was not always practicable. The price of making steel is not the same at all points. There are steel plants all over the country, but the raw materials necessary are not all found in close proximity to every plant. This means that the cost of assembling these materials is going to differ more or less, dependent upon the distance that they have to be hauled. Local conditions also vary, causing a difference in the price of production. Thus one cannot base prices on the cost of production alone because it will vary so much and means that some more stable form of reckoning must be used.

No matter what happens to the "Pittsburg-Plus," ruling it will hardly affect the situation in Canada as Canadian steel plants are getting competition from all points of the U. S. and it could not be any more acute, according to H. T. Diplock, sales manager of Steel Co. of Canada, to Hardware and Metal.

RAILROAD MERGER BOOSTS STOCK VALUE

The Van Sweringen Consolidation Has Added $50,000,000 to Market Prices

NEW YORK.—The Van Sweringen railroad consolidation embraces about 11,000 miles of line and more than 14,000 miles of track. The roads presently included are the New York, Chicago & St. Louis (generally known as the Nickel Plate), the Erie, the Pere Marquette, the Chesapeake & Ohio and the Hocking Valley. It is reported that the Delaware, Lackawanna & Western, the Virginian, the Wheeling & Lake Erie, and the Pittsburg & West Virginia may be brought into the combination later on.

It is estimated that the consolidated has added about 50 million dollars to the market value of the securities issued by the properties involved, and it has undoubtedly vitalized the movement toward railroad consolidation that is contemplated and provided for in the Esch-Cummins bill.

Including the Nickel Plate there are four trunk line systems in the region west of the Hudson, east of the Mississippi and north of the Ohio rivers. The other three are the Pennsylvania, the New York Central, and the Baltimore & Ohio.

But these four systems do not include several independent and important lines that must be dealt with in any comprehensive consolidation. Among them are the Delaware & Hudson, the Lehigh Valley, the Reading, the Jersey Central and the Buffalo, Rochester & Pittsburgh.

As the chief business of these roads is the carriage of coal, it is now suggested that it would be logical to put them under one management. Whether this will be attempted remains to be seen, but the proposal serves to draw attention to the rapidity with which the merger principle is being accepted and applied in the railroad field.

In the South Atlantic states most of the mileage is controlled by three great systems. They are the Atlantic Coast line, the Southern, and the Seaboard. But in the Middle West and the Southwest there are still many unattached properties that could give better service and would be worth more in combination with other roads.

UNLISTED SECURITIES

Industrials, Utilities, Etc.	Bid	Asked
Can. Assoc. Goldfields	04½	07
Can. Westinghouse, pref.	133.00	135.50
Can. Marconi	1.00	..
Cockshutt Plow, 7% pref.	22	24
Collingwood Shipbuilding, com.	47	53
Cosgrave	5½	5¾
Dom. Power, pref.	94½	..
Dom. Power, com.	37.50	38.50
Dunlop Tire 7% pref.	80	..
Durant Motors (A)	5½	..
Durant Motors (B)	6½	..
Durant Motors (C)	8½	..
Dom. Sewer Pipe, com.	27	30
English Elec., com.	5½	..
English Elec., pref.	46.50	48.00
Famous Players, pref. 50%,com	72	74
Gunns, Ltd., pref.	32	36
Hamilton Pantages, pref.	50	..
Hamilton Pantages, com.	..	2.50
King Ed. Cons. deb. A	56	58
King Ed. Cons. deb. B	33	36
K. & S. Tire, pref.	15	..
Loew's Buffalo, com.	80	1.20
Loew's Hamilton, pref.	50	..
Loew's London, pref.	5.00	6.00
Loew's Ottawa, pref.	19	22
Loew's Toronto, pref.	57	62
Loew's Toronto, com.	33	34
Loblaw Groc. 2nd pref.	120	150
Massey-Harris	26	30
Mount Royal Hotel, pref.	47	49
North Mexico Power, com.	15	17½
Robt. Simpson, pref. 6%	94½	..
Dom. Comb. Mills (1 pref, 2 com)	60	65
Loans and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	20	25
Can. Mortgage	54	60
Continental Life	25	30
Crown Life	100	..
Excelsior Life	31.50	..
Great West Life	220	..
London Loan	44	48
Manufacturers Life	56.00	58.00
Mercantile Trust	100	..
Monarch Life, 10% pd.	13.50	..
National Life $25 pd.	50	..
Ontario Equitable	17	..
Peoples Loan	78	..
Sovereign Life	17	22
Sun Life 50% pd.	170	..
Sun Life 35% pd.	135	..
Sterling Bank	92	95
Trusts & Guar.	66	70

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING AUGUST 19

	Div. Rate	Yield Aug. 18	High for wk.	Low for wek.	Close Aug.19	Close Aug.12	Sales for week.	Range High	1924 Low
Banks—									
Commerce	12	6.66	183⅛	179¾	180¼	182¾	203	188	178
Dominion	12	6.78	177	177	177	177	20	187	176¾
Hochelaga	10	6.78	..	..	..	..	..	150½	143
Imperial	12	6.97	172	171½	172	171	5	179	169
Molsons	12	8.16	148½	147	147	147½	17	159½	147
Montreal	12	5.04	238¼	237	237½	237¾	140	248	230
Nova Scotia	16	6.40	251	250	251	250	60	260	248
Royal	12	5.47	222	219	219½	221	98	222	211
Standard	12	7.54	159⅝	159	159	159	198	168	156½
Toronto	12	6.78	177	177	177	176	10	179	169
Union	8	7.84	102	98½	100	102	64	109¼	100
Paper—									
Abitibi, com.	4 00	6.50	63	8¾	62½	59	2630	69	54
Do. pref.	7	7.03	99½	9½	99½	100½	2	105½	98¾
Brompton Pulp	..	....	36	4	36	34	899	43	29
Laurentide	6	6.81	90	6½	87½	87½	348	98½	84½
Price Bros.	2	4.54	45	1	44	41	2524	45	40
Prov. Paper, com.	6	7.05	..	..	..	..	..	100	83
Do. pref.	7	7.56	..	..	..	..	..	47½	90
Smith, Howard, com.	4	10.25	..	..	..	..	..	75	39
Do. pref.	8	9.19	87	87	87	89½	5	100	87
Spanish River, com.	7	6.42	109⅜	107½	108	108½	4416	114½	96
Do. pref.	7	6.03	116¾	114½	116	115	1175	119½	110
St. Maurice Paper	6	6.81	88	88	88	86	30	113¾	85
Wayagamack	..	....	36½	33	36½	34	63	45	32
Steel and Steel Industries—									
B.E. Steel, com.	..	....	2¾	2½	2¾	3	475	6	2
Do. 1st pref.	..	....	31	29	29	32½	295	57½	29
Do. 2nd pref.	..	....	8	7	7	8½	525	17	7
Can. Car & Foundry, com	..	....	42	41	42	40	70	50	36½
Do. pref.	7+1¾	8.33	84½	83½	84	85	295	97	83½
Can. Foundries, com.	..	....	..	..	..	..	..	31	19½
Do. pref.	..	....	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.06	66	65	65	65	2	67	65
Do. pref.	7	7.95	..	..	..	..	..	92½	85
Dominion Coal	..	....	40½	40½	40½	40½	95	81	40
Dominion Iron, pref.	..	....	29	29	29	35	10	57	29
Dominion Radiator	7	7.25	..	..	..	..	..	96½	94
Dominion Bridge	4	5.63	..	..	..	..	..	80	60
Dom. Steel Corp., pref	..	....	38	38	38	38	5	73	38
N.S. Steel, pref.	..	..	..	..	..	..	..	68	68
Ontario Steel, com.	4	9.75	..	..	..	..	..	45½	40¾
Do. pref.	7	8.11	..	..	..	..	..	93	86
Canada Iron, com.	..	....	8	8	8	8	21	8	4¾
Do. pref.	..	....	30	30	30	30	21	30⅜	25¾
Steel of Canada, com.	7	9.58	74	73	73½	73⅜	251	83	69½
Do. pref.	7	6.79	104	103	113	103	75	105½	99½
Milling—									
Canada Bread, com.	4	5.09	78⅜	78½	78⅜	79	78	79½	63
Do. pref.	7	7.10	99	98½	99	99	72	100	95
Inter. Milling, pref.	7	7.34	95½	95¼	95¼	75	75	96½	93
Lake of Woods, com.	12	6.48	185	180¾	185	183	108	185	167
Do. pref.	7	5.90	104	..	..	..	..	120	115½
Maple Leaf, com.	..	....	78½	70	78½	70	55	78½	59
Do. pref.	7	7.08	98¾	96⅜	98	97⅜	123	98½	87
Ogilvie Flour, com.	12	3.87	..	..	..	..	..	320	304
Do. pref.	7	5.92	..	..	..	..	..	120¼	116
Shredded Wheat, com.	8+1	6.66	..	..	..	..	..	138	135
St. Law. Flour, com.	6	8.10	74¾	74	74	75	265	75	66
Do. pref.	7	7.77	95	95	95	90	5	95	89
West. Can. Flour	8	7.61	105	105	105	105	17	105	98
Utilities—									
Bell Telephone	8	6.01	133½	132	133¼	132½	570	133½	125
Consumers Gas	10	5.98	168	167	167	168	52	169	159
Dom. Telegraph	6	6.81	..	..	..	..	..	44½	43
Kaministiquia	8	8.16	98	98	98	98	15	113½	98
Mackay, com.	7	5.98	117½	115½	117½	116	174	120¾	102½
Do. pref.	4	5.88	68	67	67¾	67¼	128	71½	65
Mexican Light, com.	..	....	..	..	..	..	..	20	18
Do. pref.	..	....	..	..	..	..	..	40	38
Montreal L. H. & Pr. Cons.	7	3.93	174½	169	173½	170	3207	176¼	140⅜
Montreal Telegraph	8	6.37	..	..	..	..	..	52½	48
Ottawa L. H. & Pr.	6	6.52	93	90	93	93	26	93	81
Quebec Power, com.	..	....	93¼	87½	93¼	87½	2245	93¾	64
Do. pref.	7	6.73	..	..	..	..	..	104	90
Shawinigan	7	5.10	137½	135	136¾	134½	3501	135½	118½
Southern Can. Power	1.00	....	67½	67	67½	67½	207	67½	51⅜
Transportation—									
Canadian Pacific Rly.	10	6.57	152¾	151	152¾	153½	70	154½	147½
Canada Steamships, com.	..	....	13	12	12½	12	215	16	10
Do. pref.	..	....	47	45	46½	45½	165	51	41½
Tractions—									
Barcelona	..	....	15	15	15	16	23	20	12⅜
Brazilian	4	8.51	48	46½	47⅛	47¾	1529	53⅛	41¾
Detroit Un. Rly.	..	....	31	28½	31	28	686	72½	25
Duluth-Superior	..	....	25⅛	25	25	25⅛	62	35	19½
Illinois Traction, com.	2	1.98	..	..	..	..	..	103	60
Do. pref.	6	6.46	93	92¾	92¾	93	61	94½	87
Montreal Trams	10	5.88	171	170	171	170½	100	170¼	148
Ottawa Traction	4	6.66	..	..	..	..	..	60	60
Porto Rico Rlys, com.	..	....	29	28	29	28	30	29	17
Do. pref.	7	9.21	76¼	76	76¼	76	7	77	66
Quebec Rly.	..	....	..	..	..	..	..	18½	14½
Toronto Railway	..	....	98	90	98	95½	577	100	80
Twin City, com.	4	8.54	47	46½	46¾	47	197	69	45
Winnipeg Elec. com.	..	....	36¼	35	36	36⅛	959	36¼	24
Do. pref.	7	8.18	86	85½	86	84	195	86	75
Textiles—									
Can. Conn. Cotton, pref.	8	....	..	..	..	..	..	80	53¾
Can. Converters	7	9.33	76⅜	73	76⅜	74½	175	90	70
Can. Cottons, com.	8	8.08	99	99	99	97	2	111	85½
Do. pref.	6	6.66	90	89½	90	90	20	91	86½
Can. Woollens, com.	..	....	5½	5½	5½	5½	55	7	5½
Do. pref.	..	....	..	..	..	..	..	41½	34½
Dom. Textile, com.	4.00	6.78	60½	56½	60	56¼	1200	66	23½
Do. pref.	7	6.45	..	..	..	..	..	109½	104½
Monarch Knitting, com.	..	..	..	..	..	..	..	25	25
Do. pref.	7	9.85	..	..	..	..	..	82	65
Montreal Cotton, com.	6	6.59	91	89½	91	91	33	100¼	89½
Do. pref.	7	6.54	..	..	..	..	..	107	104
Penmans, com.	8	5.35	149½	146	149½	147	150	165	134
Do. pref.	6	6.15	97½	97½	97½	97	15	97	92
Wabasso Cotton	4.00	8.00	51¼	50	51¼	50	595	72	50
General Industrials—									
Amer. Salesbook, com.	5	....	36	36	36	37	5	47	36
Do. pref.	7	8.23	86	85	85⅛	85	28	95	85
Asbestos, com.	..	....	32	26½	31	26½	824	35	19
Do. pref.	6	8.57	70⅛	60	69	59	425	70⅛	52
Atlantic Sugar, com.	..	....	..	..	..	..	..	21¾	11
Do. pref.	..	....	..	..	..	..	..	51	32
Bird & Son, pref.	7	8.75	..	..	..	..	..	89	80
B.C. Fishing	..	....	16½	16½	16½	17	10	18	8
Burt, F. N., com.	10	7.57	..	..	..	..	..	137⅜	125
Do. pref.	7	5.14	..	..	..	..	..	136	131
Canada Cement, com.	6	6.97	86½	85	86	86½	116	93	83
Do. pref.	7	6.79	103½	102½	103¼	102¾	200	108	102¼
Can. Gen. Electric, com.	6	5.35	..	..	..	..	..	58½	52½
Do. pref.	7	6.30	56¼	55¼	55½	56	92	56¼	51⅜
Can. Indust. Alcohol	10	....	35⅜	34¾	35½	34¾	5465	35⅜	26
Canadian Salt	8	7.37	..	..	..	..	..	115½	108½
Carr. Factories, com.	..	....	..	..	..	..	..	2⅛	½
Do. pref.	..	....	..	..	..	..	..	17	15
City Dairy, com.	3	....	58½	58¼	58¼	58¾	135	58½	40¾
Do. pref.	7	6.57	..	..	..	..	..	110	104
Crows' Nest Coal	6	12.76	..	..	..	..	..	51⅛	46
Cuban Can. Sugar, com.	..	....	..	..	..	..	..	13	6
Do. pref.	..	....	39½	35½	39½	35¼	215	54	33
Dom. Canners, com.	..	....	33	31	33	31	128	35⅛	20¼
Do. pref.	7	7.95	88	88	88	88	15	90	82
Dominion Glass, com.	7	6.36	113	110	112½	110	480	113	110
Do. pref.	7	6.60	106	105	106	106	35	107	103
Dominion Stores, com.	1.00	....	..	..	..	..	..	30	24½
Do. pref.	8	8.88	..	..	..	..	..	92½	81
Davies, Wm. (A)	..	....	12	11¾	12	12	50	20	11¾
Eastern Theatres, com.	..	....	..	..	..	..	..	14¾	12
Do. pref.	7	10.29	..	..	..	..	..	70	67
Ford Motor	10	....	..	..	..	..	..	485	440
Goodwins, com.	..	....	..	..	..	..	..	48½	17
Do. pref.	7	10.00	70	70	70	72½	12	95	69½
Goodyear Tire, pref.	7	9.65	73½	73½	..	..	..	..	..
Frontenac Brew. com.	..	....	..	..	..	..	..	73¾	60
Do. pref.	7	7.60	..	..	..	..	..	122	90
Holt, Renfrew, pref.	7	....	..	..	..	..	..	66	52
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Ed. Hotel	..	....	..	..	..	..	..	21	21
Lyall Construction	..	....	10¾	10	10¼	13½	50	21	10
Macdonald, A.	..	....	..	..	..	..	..	5	4
National Breweries, com	4.00	7.01	57	56	57	56½	1987	57	48½
Do. pref.	7	6.96	100½	100¼	100½	99½	10	100½	99
Pacific Burt, com.	6	6.15	..	..	..	..	..	101	94
Do. pref.	7	6.73	104	104	104	102	2	106	100
Port Hope Sanitary, com.	..	....	..	..	..	..	..	50½	49
Do. pref.	7	7.60	..	..	..	..	..	90	90
Rogers, Wm. A., com.	..	....	55	54	55	54	13	70	45
Do. pref.	7+1¾	7.60	92½	88	92½	88	16	100	86
Russell Motor, com.	..	....	..	..	..	..	..	18	17½
Do. pref.	7	14.00	..	..	..	..	..	56	48
Sherwin-Williams, com.	6	5.06	119	109	119	121	1691	128½	100
Do. pref.	7	6.93	101	101	101	101	50	103	98½
Sterling Coal	4	9.19	44	42½	42½	42	46	44	40
Tooke Bros., pref.	..	....	..	..	..	..	..	20	38
Tuckett Tobacco, com.	4	6.78	59	59	59	58	25	64½	57
Do. pref.	7	7.29	97	95	96	95	60	97	92½
Woods Manufacturing, com.	..	....	..	..	..	..	..	35	25
Do. pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10	6.32	79	79	79	79	18	86	78½
Can. Permanent	12	6.55	184	183½	184	183½	13	187	179
Colonial Invest.	6	..	..	..	..	..	..	7	14
Hamilton Prov.	10	6.89	..	..	..	..	..	146	141
Huron and Erie	7	5.69	..	..	..	..	..	125	120
Landed Banking	9	6.52	..	..	..	..	..	148	138
Montreal Loan	12	6.48	..	..	..	..	..	46½	46½
National Trust	12	5.66	..	..	..	..	..	215	210
Real Estate Loan	7	7.86	..	..	..	..	..		
Toronto Gen. Trusts	12	5.74	209	209	209	209	25	210	202
Toronto Mortgage	10	5.86	..	..	..	..	..	85½	81½
Union Trust	7	8.23	..	..	..	..	..	85	84

NEW ISSUE

$850,000

Acadia Apartments, Limited.

6½% First (Closed) Mortgage 15-Year Sinking Fund Gold Bonds

To be dated September 1, 1924, maturing September 1, 1939. Principal and interest payable at Montreal, Toronto, Halifax, St. John, Winnipeg or Vancouver. Redeemable, at the Company's option, at 102½ and accrued interest. Denominations, $1,000 and $500. Montreal Trust Company, Trustee.

CAPITALIZATION

	Authorized	To be Issued
6½% First Mortgage Bonds (this issue)	(Closed)	$850,000
7% General Mortgage Bonds, due 1940	$200,000	100,000
7% Preferred Shares	400,000	400,000
Common Shares	200,000	200,000

The following particulars are summarized from a letter addressed to us by Hon. N. Curry, President of the Company:—

The Company owns the corner property at Sherbrooke and Drummond Streets, Montreal, immediately opposite the Ritz-Carlton Hotel, having a frontage of approximately 120 feet on Sherbrooke Street and 151 feet on Drummond Street. This location is in the centre of Montreal's most fashionable west-end residential district.

This Bond Issue is being made to provide a portion of the cost of the "Acadia Apartments," which the Company is now erecting on the property referred to.

The new apartment building will be approximately 130 feet in height, and will contain about 57 suites of apartments. In general appearance, lighting, exterior and interior finish, it will be entirely modern and equal or superior to the standard of any similar building in Montreal.

Security for Bonds consists of a first (closed) mortgage, hypothec and charge on the land and the new apartment building, with its equipment, and a first charge on net revenue to be derived from the property.

Valuation of Security—$1,350,000, as against $850,000 of First Mortgage Bonds to be issued.

Gross Revenue of the Acadia Apartments (based on average rentals being received by similar high-class apartment buildings in the same district), for the first full year of operation, allowing 10% for vacancies, is estimated at approximately	$172,000
Operating Expenses and Taxes should amount to not more than	60,000
Net Revenue available for bond interest should therefore be approximately	**$112,000**
The full year's interest requirement of the 6½% First Mortgage Bonds is	**$ 55,250**

Semi-annual Sinking Fund payments of $12,750, plus interest on bonds redeemed, commencing March 1st, 1928, will have the effect of redeeming about $453,000 of this issue by maturity, at not more than par and accrued interest.

We offer these bonds for delivery if, as and when issued and received by us and subject to approval of our counsel of all proceedings, at—

98½ and accrued interest, to yield 6.65%

Royal Securities Corporation
Limited

Greenshields & Co. **Hanson Bros.**

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

The Wabasso Cotton
Company, Limited

THREE RIVERS, P. Q.

Manufacturers of Fine White Cotton,
also Spinners' Fine Counts of Yarns

Woods Manufacturing
Company, Limited

Jute and Cotton Bags — Hessians, Buckrams — Paddings and Twine
Tents — Flags — Tarpaulins — Clothing and Cotton Fabrics

FACTORIES AT
MONTREAL, TORONTO, OTTAWA
WINNIPEG, WELLAND

HEAD OFFICE
MONTREAL

Dominion Textile Company
LIMITED

Manufacturers of
COTTON FABRIC

MONTREAL TORONTO WINNIPEG

Atlantic Sugar Refineries
LIMITED

General Offices:
211 McGILL STREET
MONTREAL

Refineries - St. John, N.B.

MAPLE LEAF
BRAND
ALCOHOL
HIGHEST QUALITY—BEST SERVICE
Ethyl Alcohol—Cologne Spirits
Denatured Alcohol (All formulae)
Canadian Industrial Alcohol Co. Limited
MONTREAL
Distributing Warehouses
Montreal, Toronto, Winnipeg, Vancouver
CANADIAN INDUSTRIAL ALCOHOL COMPANY LIMITED
TRADE MARK

P. Lyall & Sons
Construction
Company, Limited
Toronto - Montreal - Ottawa

Berry Producers of B. C. Have Profitable Season

VICTORIA.—Small fruit growers of British Columbia—depending on strawberries, raspberries ,and loganberries as their main crop—have had a good year, and have been able to dispose of their entire output at favorable prices. There will be no carry-over to the next season, according to H. P. Simpson, of the British Columbia Berry Growers' Union. The lower mainland alone sent 200 carloads of berries to the prairie markets this season. Practically all the shipments from the lower mainland were made by two organizations, the Pacific Berry Growers, and the British Columbia Berry Growers' Co-operative Union, and went through the Mutual Brokers, which also acted as selling agents for the Saanish and Gordon Head Fruit Growers' Associations on Vancouver Island. Shipments of canned and jammed berries are being made regularly to the British Isles, and New York is proving to be one of the best markets.

Public Utilities

BRAZILIAN'S LOSSES OFFSET BY JUMP IN 1924 EARNINGS

Resolution Will Mean Million Decline Plus Property Damage

The Sao Paulo revolution has caused a decrease of $500,000 in the earning of the Brazilian Traction subsidiaries located in that area and will likely result in a further loss of a similar amount. In addition to this million dollars there will be the property damage. E. R. Wood, vice-president, says this will not be important, due to the loyalty of the company's employees getting out and guarding their holdings. The loss sustained will not have any important effect on the company's position because of the fact that the earnings for the first six months of this year show an increase in gross of $1,200,000. In the revolutionary section, the company's interests represent 35 per cent. of the whole. Advices are to the effect that the government is now in complete control. Sir Thomas White, who recently visited Brazil, gave the population of Rio de Janeiro as 1,200,000 and said Sao Paulo was about the size of Toronto. The Brazilian Co. supplies power, electric light, telephone and tramway service to these two cities. He said the Brazilian government was trying to balance its budget and he thought this would result in an improvement in the position of Brazilian exchange. Hon. F. H. Phippen, K. C., who was also in Brazil, said the Brazilian's best outlook lay in the sale of electric light and power. With regard to the tramways and telephone services, the greatest obstacle was the low rates. The demand for power, however, was growing, and the market for it showed signs of increasing in both the large centres of Sao Paulo and Rio de Janeiro, and the company would require more units soon.

Quite a number of drastic changes in the staff of the Brazilian Co. have been made by H. H. Couzens, the new chief executive of the company. Pearson Engineering of London have made a study of the situation and it is believed that Mr. Couzens is acting on their recommendations. F. A. Huntree, the former chief executive resigned and since then W. G. McConnel, Sao Paulo manager, has retired.

DETROIT UNITED CUTTING EXPENSES

President Stephenson Expects to Save a Million a Year on Company's Operations

MONTREAL.—President Elliott G. Stephenson's letter of explanation about the new Detroit United Railway financing closed with another very optimistic forecast as to the future of the company. He explained in some detail the company's plan to fight bus competition with buses coordinated with rapid traction service and stated that he hoped that a gross saving of a million dollars a year could be effected in operating costs. After explaining the disposition of the proceeds of the recent $9,000,000 bond issue, and of the additional money to be raised by new financing the president outlined the plans of the company, in part, as follows:

"It has been determined by the board, after a most exhaustive investigation, that the only practicable way of meeting the bus competition is to engage in and co-ordinate it in connection with the operation of our railways. This calls for an entirely different program with reference to the operation of our railway, and, as indicated in former communications, one very important feature of the changed policy involves the substitution, so far as possible, of one-man operation of cars instead of two-men, as has been the general practice throughout the country until within the past few months.

"You also will have in mind that in order to effect a large saving in the costs of operation it is planned to transfer our passengers from our inter-urban cars at the outside of the city to buses, thus saving a car rental for the use of city tracks of approximately $400,000 per year at the present rate of cost. At each transfer point we will have to erect terminal stations which, it is estimated, will cost approximately $200,000 to $250,000.

"The acquiring of buses for co-ordinating service with the railways with the cost of terminal stations, garages, gasoline storage tanks, etc., will involve an expenditure of $1,000,000 or more, while the change in and addition to the company's equipment will involve the expenditure of approximately another $1,000,000.

"We feel confident that in the entire service the substitution of one-man for two-men operation—where practical—a saving of $500,000 per annum will be effected, as we think that in all 200 to 250 one-man cars can be substituted for two-men cars and safely and efficiently operated.

"You will understand, of course, that the change contemplated does not involve our high-speed inter-urban service, but only our local and semi-local service.

"Effecting all the various economies permissible under the plans worked out, we look for an aggregate saving in operating expense of $1,000,000 per annum, and with co-ordination of the bus and railway service, we expect our normal earnings will be restored.

"The general industrial conditions prevailing in the territory served on our railways is regarded by conservative men of experience as looking better, and a gradual restoration of normal conditions is approaching.

WINNIPEG ELECTRIC

June gross revenue	$395,403
June net revenue	96,099
Fixed charges—taxes	73,839
June divisible income	22,261

MONTREAL TRAMS PAYING ARREARS ON CITY ACCOUNT

Now Less Than $900,000 Due Montreal Under Contract

From Our Own Correspondent.

MONTREAL.—Operations of Montreal tramways during the twelve months to June 30 were the most satisfactory of any of the years since the tramways system and the city joined to put a virtual service-at-cost scheme into operation. The line not only earned all operating and maintenance charges and the allowance due the company for its investment, but it earned a surplus of $548,695. The whole of this sum was handed over to the city to reduce the arrears on rentals. This will bring the arrears due the city down to about $900,000, which, however, need not be paid except as earned. The surplus in 1923 was $347,554. There has been a steady improvement in this surplus ever since the contract came into force. Operations of the line have produced the following results in the period to date:

1919	Deficit	$1,364,112
1920	Deficit	364,700
1921	Deficit	239,022
1922	Surplus	187,948
1923	Surplus	347,554
1924	Surplus	548,695

This indicates that the line should be able to clean up the arrears due the city in about two years, when surplus earnings will then be divided among the city, the company and the tram-riding public. The latter will receive their share through a tolls reduction fund which will be used to reduce fares when a certain sum accumulates. The report suggests no earlier change in street car fares in Montreal which are now on a basis of seven cents cash, or six cents by tickets.

Difference in Reports

Shareholders are familiar with the fact that the report of the Tramways Commission, which came out this week, must be differentiated from the report of the company which follows later. The commission's report is valuable in showing the return the company will get from its operation of the lines. The disbursements of the funds so received are shown by the later annual report of the company. However, a forecast of the annual report can be made from the figures now available. There should be little change. Revenue from the city should be up slightly. Dividends will be earned by a substantial surplus, sufficient to meet the issuance of new stocks to shareholders at par if further capital is required without endangering the present rate of 10 per cent.

Further figures from the commission's report may be quoted. Gross receipts are up to $12,463,799 as compared with $12,056,355. Operating expenses and taxes take $6,246,890 as compared with $6,099,993. Efficient operation is indicated by the fact that the operating staff earned for the company a profit of $48,555 as against $48,305. The capital value of the company's properties is placed at $39,143,587. The number of revenue passengers was 200,035,062, six and a half millions more than the previous year. The number of car miles run was 23,306,067, or nearly a million increase.

The total length of tracks now stands at 275,510 miles, of which 257,088 are in operation. The gross receipts worked out at $45,239 per mile of total track.

The number of transfers issued was 84,785,435, or 43.29 per hundred revenue passengers. Observation cars brought a revenue of $67,495, and autobus fares $44,801. Seven cent fares from passengers who paid cash instead of buying tickets, gave a total revenue for the year of $8,951,363.

Extra fares charged in places outside the uniform tariff territory, brought in 675,903 nickels, 348,934 three cent, 1,021,836 two cent and 11,969 one cent cash fares, besides a big sale of tickets for these various extra fares. The total revenue under this head was $248,796.47.

Expect Winnipeg Electric Will Show Improvement

Improved conditions expected in the West this fall, due to the improvement which, it is said, will follow the harvesting of the crops, are expected to reflect favorably on the earnings of Winnipeg Electric. Since 1919 the earnings have averaged around $4.50 per share, while during the war the highest was $5.51 and the lowest 98 cents. From 1906 to 1914 the average ran from 11.05 to 18.51, while in 1912 the stock sold up as high as 268 or about nine times the present price. The stock was then on a 12 per cent. basis.

Quebec Power Earnings Substantially Higher

Power sales of Quebec Power are steadily increasing in the City of Quebec, while the other utilities it controls, street railway, gas, and electric light show a steady growth. A large plant has just been installed to run the various harbor activities and this will take considerable power. The company is a consolidation of Quebec Light, Heat and Power and the Public Utilities Corp., says a bulletin of McCuaig Bros., Montreal, adding that while the president at the last annual meeting stated that earnings were sufficient to care for all fixed charges, preferred dividends, leaving a considerable margin for other purposes, net earnings since then have shown a substantial increase. Recently the president was quoted as stating that common dividends were likely to be started this year.

Ottawa Power Showing Much Better Earnings

There are signs that earnings of Ottawa Power have started on the up-grade. The first five months of this year show a net of $100,426 compared with $78,674 in the same period of 1923, while at the same time lower costs, a cut in fixed charges, along with the possibility of higher lighting rates, indicate that the upturn may continue. The change in fixed charges resulted from the retiring of bonds and substituting preferred stock. The latter is to be listed shortly. In the past six years earnings have averaged 6.82 per cent., while between 1909 and 1913 the average was 12.89 to 15.18 per cent.

INCREASE SHAWINIGAN CAPITAL

Shawinigan shareholders meet Sept. 22 to consider a bylaw to increase the capital stock from $20,000,000 to $25,000,000.

LAURENTIDE POWER

Notice has been given the city of Grand'Mère by the Laurentide Power Company, Ltd., that appeal has been taken from the decision of the city council to retain the name of the Laurentide Power Company, Ltd., on the evaluation and tax rolls of the city. The power company raises for the first time the question: Is a power house, built in the middle of a navigable stream, a part of the adjacent municipalities?

ALABAMA POWER

July earnings—	1924	1923	Increase
Gross	$676,410	$620,045	$56,365
Oper. & taxes	323,777	305,140	18,637
Net	$352,633	$314,905	$ 37,728
12 mos. end. June 30—			
Gross ...	$8,703,561	$6,939,478	$1,764,083
Oper. exp.	4,618,	3,900,919	714,479
Net	$4,088,163	$3,038,559	$1,049,604

STATE INQUIRY RE CHAMPION MOTORS

Has Contract to Make Augustine Engine—Restrained From Selling Stock.

BUFFALO.—The state has begun its investigation into the affairs of the Champion Rotary Motors Co., Inc., which was formed to manufacture the Augustine Rotary Engine under contract. The inquiry is being conducted by W. B. Frye, the referee appointed by Justice Brennan, of the supreme court. Action may be taken to have the company forfeit its corporate franchise. It is alleged by the attorney-general's office that the Champion company filed a falsified list of liabilities and assets on July 1. An injunction has been obtained restraining the company from selling 20,000 additional shares of stock at a par value of $25 a share.

Benjamin F. Augustine, No. 102 Middlesex Road, treasurer of the corporation, and other officials testified before Referee Frye. Mr. Augustine swore that outside of the contract with the Augustine Rotary Engine Co., which gives his firm the right to sell the Augustine engine, the company had no assets except a few hundred dollars and some engines. The treasurer added that the basis of the sale of the additional block of stock is the merits of the invention. According to the state's contention the concern has no tangible assets to back up the sale of stock.

Meanwhile the injunction order will stand until the state moves to the next step.

ASBESTOS SHARES ACTIVE

The belief that Germany will soon be a large purchaser of crude asbestos is said to be responsible for the recent market interest in the shares of Asbestos Corp., both issues of which have had a material advance. On the other hand it is reported that the buying was a move on the part of a large shareholder to average down. The corporation must face the growing competition from Rhodesian asbestos in the European market.

POTENTIAL BUYERS AMONG NON-OWNERS RAPIDLY REDUCING

Auto Sales To-day Now Depend on Used Car Trade-ins

Used car trade-ins are important factors in today's auto sales. Statistics compiled on sales for the first half of 1924 show that 11 per cent. of dealers, asked for statistics, replied that 90 to 100 per cent. of sales were based on used car exchanges, an equal number based 85 to 90 per cent., while 6½ per cent. said 80 to 85 per cent. was done by taking in old cars, with 9 per cent. claiming 75 to 80 per cent.

About 29 per cent. of the reporting dealers said that between 50 and 75 per cent. of their sales involved used cars; 24 per cent. declared that from 25 to 50 per cent. of their business was on the basis of trade-ins, while not quite nine reported that 25 per cent. or less of their deliveries in the first half of this year necessitated an allowance for a used car.

Must Expand Market

An analysis of these figures shows that more than 65 per cent. of the reporting dealers were obliged to trade-in used cars in order to make from 50 to 100 per cent. of their sales. In other words, it is readily apparent that the number of potential automobile buyers who have never owned a car before is growing rapidly less. This means that in order to further expand and to sell more cars to people who have never before owned a machine, the motor manufacturers will have to broaden their markets, or else bring prices down to levels where a new strata of buyers in this country can be attracted.

There are at present in use in the United States something like 15,000,000 passenger automobiles, and roughly speaking there are about 22,000,000 families. This means that about 70 per cent. of the families own automobiles, says New York Journal of Commerce. Of course, a great many families own more than one automobile but the large number who are destined never to possess a motor car probably considerably offsets the number who own more than one.

It will be an increasingly difficult problem to increase the percentage of American families who own a car, although if Ford could make a further liberal reduction in prices of his product there is little doubt but that he would reach a new class of buyers which would tend to increase the percentage of car-owning families.

IMPERIAL RESUMING IN FT. NORMAN AREA

Good Progress Being Made on Several Wells Drilling in Alberta

From Our Own Correspondent.

CALGARY.—All drilling activities of the Imperial Oil in Alberta are making good progress, according to T. Draper, manager of the North-West Company, the development concern of the Imperial work of transporting the rotary drilling rig from Fabian field to drill near Rogers well is going forward actively. The deep test on the No. 4 well of the Royalite Co. has attracted attention from oil men throughout Alberta. The well is down now more than 3,400 ft.

Drillers near Coalspur in the Edmonton district, report the well down 1,117 ft.

The party sent to Fort Norman early in the summer has arrived on the ground and is getting things organized for the sinking of a new well adjacent to the Discovery well, 53 miles north of Fort Norman on the east bank of the Mackenzie River

GRANBY CONSOLIDATED

Second quarter—	
1924 net income	$159,093
1923 net income	320,163
Six months—	
1924 net income	479,256

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Pulp and Paper

PULP AND PAPER ADDS $144,000,000 TO TRADE BALANCE

Production of Industry in 1923 Touched New High Point

From Our Own Correspondent.

MONTREAL.—Greater expansion took place in the Canadian pulp and paper industry in 1923 than in any year since 1919 and 1920, according to the census of the industry just issued by the Dominion Bureau of Statistics. At the end of 1923 the capital invested in the pulp and paper industry of Canada was $417,600,000, an increase of $36,600,000 over the previous year.

Figures of production also indicated that the industry has made practically complete recovery from the unsatisfactory conditions which prevailed during 1921. The tonnage of paper production was the highest for all time in Canada, and the value of the output was well up towards the record figure of 1920 with its high scale of prices.

Pulp and paper's part in maintaining Canada's excellent balance of trade is thrown into bold relief by a comparison of our exports and imports in this field. Exports of paper and paper goods for 1923 were $93,000,000 and of wood pulp $47,000,000. The total favorable balance of trade resulting from the activities of the pulp and paper industry in Canada during 1923 amounted to $144,000,000. This is made up by considering the value of pulpwood exported, or $13,500,000; the difference between pulp exports and imports, or $46,000,000 and the difference between paper exports and imports, or $84,500,000.

This record has been achieved largely through the expansion in newsprint production in Canada. Newsprint accounted for 1,240,000 tons of the total production of 1,580,000 tons of paper. Canada is manufacturing more and more of its pulp production into paper at home, but there is still a large excess production of pulp which is sold abroad. Total pulp production for 1923 was 2,469,305 tons. About 65 per cent. of the pulp produced was made into paper at home. As recently as 1920 the production was under 50 per cent. This is because of the establishment of new paper mills and new equipment in older paper mills. There are 67 mills in Canada making paper out of 110 pulp and paper mills.

The effect of the embargo "scare" on our pulpwood shipments during 1923 is interestingly revealed. The apparent total production of pulpwood in 1923 was 4,650,000 cords valued at $570,000,000, of which 70 per cent., or 3,260,000 cords, valued at $43,500,000, were manufactured into pulp in Canadian pulp mills and 3 per cent., or 1,380,000 cords, valued at $13,500,000, were exported to the United States in the raw or unmanufactured state.

These figures show an increase in the proportion of pulpwood exported from Canada from 26 per cent. of the total in 1922 to 30 per cent. in 1923.

Canada's production of pulp in 1923 was as follows:

	Tons	Value
Groundwood	1,449,305	$39,569,945
Soda	1,453	103,927
Sulphite, bleached	204,297	16,395,574
Unbleached	545,371	28,446,169
Sulphate	224,813	13,559,189
Screenings	43,966	797,506
Other fibre	299	13,800
Total	2,469,305	$98,886,110

Divided by provinces, pulp production was as follows:

	Tons	Value
British Columbia ..	217,712	$ 7,325,142
New Brunswick ..	111,126	6,986,207
Nova Scotia	26,979	838,358
Ontario	877,921	33,481,035
Quebec	1,235,567	50,255,367
Total	2,469,305	$98,886,110

Canada's production of paper in 1923 was as follows:

	Tons	Value
Newsprint	1,241,706	$92,482,843
Book and writing	80,120	13,828,605
Wrapping	84,912	7,666,174
Boards	130,582	8,480,233
Other paper	45,479	5,042,488
Other products ..	......	105,239
Total	1,582,799	$127,605,582

Divided by provinces, paper production was as follows:

	Tons	Value
British Columbia	155,373	$11,465,602
New Brunswick ..	5,567	411,062
Ontario	719,801	57,162,775
Quebec	702,058	58,566,143
Canada	1,582,799	$127,605,582

Nova Scotia Farmers Will Get Free Trees

From Our Own Correspondent.

MONTREAL. — By next summer there will be 10,000,000 seedlings at Frank Barnjum's nursery in Annapolis Royal, Nova Scotia, and these will be distributed free of charge to the farmers of Nova Scotia. It is hoped in this way to get the reforestation of the sea coast province under way on a broad scale.

Mr. Barnjum established this nursery at his own expense as a demonstration of proper forestry methods. It is in charge of Otto Schierbeck, a Danish forester who has achieved an excellent reputation in Canada and who won Mr. Barnjum's $5,000 prize for the best essay on combating the menace of the spruce bud worm. Mr. Schierbeck was engaged by Frank Barnium as forester for the province of Nova Scotia. The seedlings include various types of spruce and pine and Douglas fir.

BROWN CORP. WILL INVEST MILLIONS IN COMING YEARS

American Mill Turns to Chemicals and Canada Benefits as Result

From Our Own Correspondent.

MONTREAL.—Another large American corporation is quietly laying plans to expand in the Canadian field. The Brown Corporation, now an important producer of sulphate pulp with a mill at La Tuque, Quebec, is likely to spend many more millions of dollars in Canada in the next few years. It is understood that in addition to the present sulphate pulp mill that a plant may be erected for the producion of sulphite pulp. Quite likely some steps will be taken also to harness some of the valuable power controlled by the company on the St. Maurice River. The company has developed 4,400 h.p. at La Tuque, but controls sites capable of developing 140,000 h.p. Much of this power would be required for the new pulp mill and it is just possible that power might be developed for sale to other industries.

The plans of the Brown Corporation are of particular interest in that they are so similar to plans of the International Paper Co. and the St. Regis Paper Co., two large American paper companies, that have announced plans to concentrate their future new developments in Canada where there is maple timber and power available at reasonable cost.

American Firms in Chemicals

One reason for the decision to utilize Canada more and more as a basis of pulp—and perhaps paper—producing operations is the fact that the American mills of the Brown Company, which owns Brown Corporation, started from the utilization of the waste liquor of the sulphate pulp for the manufacture of various by-products, but has developed to substantial proportions. An indication of this is in the fact that the company has found it necessary to establish a peanut plantation in the Everglades of Florida to provide peanut oils. for some of its products, including shortening.

At La Tuque, turpentine is now being manufactured and attention is being directed to the possibility of adding to the chemicals manufactured here. At the American mill at Berlin Mills, New Hampshire, a much larger list of chemical products includes chloroform, bisulphate of carbonate, used for disinfecting and other purposes, caustic soda, largely employed in bleaching woollen products, and a number of solidified vegetable oils used in the manufacture of soap; a shortening for domestic cooking is made by the company and is sold under the trade name of "Cream Crisp." It may seem a long cry from pulp and paper manufacturing to these chemical products, but their production is a logical development of the chemical processes used in pulp manufacture.

A Big Canadian Organization

A product more closely allied to pulp and paper is fibre tubing and piping made by an automatic process from compressed ground pulp. This tubing is largely used by electrical companies for conduit covering, while the large sizes are used for pumping water for mines.

The Brown Corporation's Canadian interests are already much larger than is generally realized and the balance sheet indicates total assets of nearly $20,000. Recently Canadian investors became more distinctly interested in the company when two Canadian houses participated in an issue of $2,000,000 of preferred stock of the enterprise. There are no bonds outstanding. There is only a small issue of bonds outstanding, $1,400,000, but re-financing with issues of stock and bonds in both Canada and the United States would be a logical development to expect as the Browns' plans mature and new construction work is attempted in Canada.

The Scope of the Company

The Brown Corporation owns and operates a large modern sulphate mill and lumber mill at La Tuque, P.Q., representing a cash investment of over $6,000,000 not counting timber holdings. This plant, of 220 tons daily capacity, enables the company to use wood that may not be sent to the American mills, because of restriction of the Canadian government on the exportation of pulpwood from leasehold timber lands. The wood from the freehold timber lands, however, may come into the United States and is duty free. Both classes of timber lands are owned by the Brown Corporation, so that it is enabled to ship both the pulpwood and pulp to the mills of the Brown Company at Berlin, N. H., the company taking the entire output. The sulphate pulp is duty free and at Berlin it is manufactured into kraft paper, that is protected by a 30 per cent. American tariff. The Brown Company is the largest manufacturer in the United States of bleached sulphite fibre pulp and kraft wrapping paper, and also manufactures bond paper, lumber, and allied products.

The mill property is fifty-six miles from the Shawinigan Power Company development and seventy miles from Three Rivers on the St. Lawrence River and is served by the Canadian National Railways. The corporation also owns in fee simple a developed hydro-electric power of 4,400 h.p. and undeveloped water power of 140,000 h.p. To insure a practically perpetual supply of raw materials, the Brown Corporation has acquired and owns about 1,000,000 acres of freehold timber lands and holds under lease from the Province of Quebec about 2,000,000 acres of leasehold timber lands. In addition it owns the cutting rights on 160,000 acres of timber land, making total holdings of the Brown Corporation about 5,000 square miles, conservatively estimated to contain over 12,000,000 cords of pulpwood. These timber areas are largely situated in the watershed of the St. Maurice River in which district timber lands are in great demand and are recognized as among the choicest land in Canada.

GERMAN PAPER EXPORTS TO U. S. ON THE INCREASE

Chiefly in the Products Being Made by Canada

WASHINGTON.—Notwithstanding certain handicaps, such as the difficulty in obtaining coal and raw materials, high freight rates, and rising wages, the German paper trade has progressed. Exports of paper and paper products from Germany during 1923, according to preliminary statistics, were approximately 45 per cent. greater than for the year 1922. The gain made during 1923 is attributable to the greatly increased shipments of a few items rather than to a more or less general increase in all classes.

The same statement also holds true when a comparison is made between 1913 and 1923 exports, for, while the majority of the items show an increase, and a few, such as printing and writing papers, having made enormous strides compared with prewar years, in the higher-priced and specialty papers, such as grease proof, photograhpic, fancy colored, and wall papers, the German mills apparently have not as yet been able to regain their markets.

Big Gains in U. S.

German newsprint and wrapping paper manufacturers were evidently most successful in extending the sales of their products during 1923. Approximately half of the shipments of printing paper went to various European countries, which increased the total purchases of this product 60 per cent. over 1922 and 200 per cent. over 1913. The largest gains, however, outside of Europe as a whole, have been in the United States' market, which took 328,229 tons of printing paper in 1922 and 509,834 tons in 1923, compared with only 10,534 tons in 1913.

Next to Europe, South America was the chief market for German printing paper during 1923, exports to that region totalling 61,196 tons, an increase of 44 per cent. over the previous year, and 108 per cent. over 1913. The bulk of the exports to South America went to Argentina, which increased its purchases from Germany 34 per cent. over the previous year, and more than doubled them as compared with 1913. In Chile and Uruguay, Germany also regained its pre-war volume of trade in this product, and to a great extent recovered the Brazilian market, where the 1923 shipments were only 14 per cent. under those for 1913.

The increases in sales of wrapping paper, however, are confined to Europe, which took a total of 109,595 tons, the United States, which took 16,471 tons, and the Levant, which took 9,166 tons.

The total sales made to the different regions are as follows:

Sales of German paper and paper board

(In short tons)

Country of Destination	1913	1922	1923
Europe	266,886	270,333	379,038
Levant	3,900	9,013	14,643
Far East	29,122	11,711	20,265
South America	55,575	68,524	90,935
United States	22,013	50,040	78,988
Countries not specified ..	9,089	52,154	83,735

Competing With Canada

German exporters were able, by the end of 1922, not only to re-establish their pre-war volume of trade in most regions, but in all except one case to substantially increase this trade. These gains were continued during 1923, the greatest proportional increase being in the Far East, where sales, however, still remained 30 per cent. under those for 1913. Total exports to the United States increased 58 per cent., and to South America 32 per cent., during the same period. The attention of German exporters during the past two years has been concentrated mainly in promoting the sales of newsprint, wrapping, and the coarser grades of writing papers in these markets, sales of the finer papers and boards showing relatively small increases or even a decrease during 1923 compared with 1913 and 1922.

WORLD'S FORESTS TO LAST ONLY 30 YEARS

Warning to Canada Against Wastage — Heavy Losses Going on Yearly

Thirty years will see the exhaustion of the world's forest resources. There is urgent need of reforestation of devastated areas and protection of young growth and conservation of forests that remain, declared Roland D. Craig and F. Storey, to the British scientists.

As an example of misuse of timber resources, Mr. Craig, who is of the Dominion Forest Service, read a report showing that only 456,000 out of over 1,250,000 square miles of Canadian forest land bears timber of merchantable size. The remaining 63 per cent. of Canadian forest was unavailable as a result of fire, cutting and other destructive agencies. Several times the present requirement of industry could be produced if there was proper management, since one-third of the land area of Canada is essentially forest land.

"Canada's wood products are now second only to her agricultural products in value. The industry employs 56,000 workers, whose annual wage bill amounts to $70,000,000. The average annual value of primary products of the forest, between the years 1907 and 1921, was $230,000,000. The value resulting from the manufacture of primary products, such as pulp and paper, meant an increase to $360,000,000."

DONNACONA PAPER

The Donnacona Paper Company, Ltd., Quebec, intends to carry out improvements on the River Jacques Cartier, by causing to be removed from certain islands, brush and debris.

START ON NEW PAPER PLANT

Price Bros. Co. will start erecting its new pulp mill at St. Joseph D'Alme, Que., at once and by 1926 will be producing 200 tons newsprint daily and 600 tons by 1929.

REOPEN CHICOUTIMI MILLS

Chicoutimi Pulp Mills closed since February, will be reopened by liquidators in a few days. There are 30,000 tons of pulp on hand and ships are waiting to carry it to England.

DELAY RIORDON SALE

Unsecured creditors of Riordon, believing that the sale of the properties in September will be prejudicial to their interests, are launching a campaign to have the sale delayed. The Retail Merchants' Assoc. will take charge of their case. It is understood that there is also a movement among some preferred shareholders of the old Riordon Co. to prosecute a claim that the equity behind their holdings was sold without their consent.

Milling

FLOUR CAPACITY IS 134,000 BBLS. DAILY

Milling Industry of Canada is One of Important Industries —Crops Big Factor

From its humble beginning at Port Royal (now Annapolis Royal, Nova Scotia), says official Natural Resources, flour and grist milling in Canada has grown to be one of the Dominion's most important industries. According to an early census there were nine mills in operation in New France, in 1665, while the latest figures (those for 1922) show 1,364 operating mills in Canada with a daily capacity of 134,125 barrels. The amount of wheat milled and flour produced by these mills showed a considerable increase during 1922. This year saw 81,413,649 bushels of grain converted into flour, as compared with 70,005,373 bushels in 1921 and 61,116,880 bushels in 1920. The production of flour during the 1922 calendar year reached 17,787,929 barrels, an increase of 2,466,170 barrels over the previous year and 4,660,609 barrels greater than 1920.

Easy access to the Atlantic seaboard has heretofore been a determining factor in deciding the location of flour and grist mills in Canada. Of the 1,364 mills in operation in 1922, 1,211 were situated in Ontario, Quebec and the Maritime provinces. In the early days of the industry Montreal became the centre of flour and grist milling and it has held its predominant position, the daily output of the mills in its vicinity totaling nearly 20,000 barrels in 1922. However, with the development of the Pacific trade the growth of Western points as milling centres is being accelerated and there is every indication that the industry will continue to expand in proportion to the Dominion's position as one of the great wheat producing countries of the world.

Deal With Spillers is Still Being Negotiated

From Our Own Correspondent.

CALGARY.—Negotiations are still proceeding satisfactorily between the Spiller interests in the Old Country and the Alberta Pacific Grain Co., in connection with the taking over of the latter's elevators in Western Canada. Now that the deal with the Alberta Flour Mills, Ltd., has been completed it is expected that some definite announcement regarding the elevators will be made at a fairly early date. In the meantime good progress is being made with Spillers' new terminal elevator at Vancouver which it is fully expected will be completed in time to handle some portion of this year's crop.

BRIDGEBURG'S SHIP PLANT MAY BE SOLD

Rumors Again of Impending Sale — Its Launching Recalled

The recent death of Sir Edmund B. Osler recalls that, outside of four boats under war conditions, the only vessels turned out at the plant of the Canadian Shipbuilding plant at Bridgeburg, Ontario, was the E. B. Osler, named for Sir Edmund before his knighthood. The bottle of champagne was broken over the bow at the launching by Sir Edmund's daughter. That was away back in 1905.

The E. B. Osler, at the time of her launching, was the largest Canadian freighter on the lakes. She may be yet. She is 553 feet overall. Not many vessels in the American ore and grain fleet exceed 600 feet.

The Bridgeburg Review recalls that it was a gala day along the Niagara frontier when the E. B. Osler steamed light up the river. The whole populace had gathered at the river bank to watch the great vessel pass up. She was a splendid sight, making fair speed, although her propeller was half out of the water.

It was hoped that the E. B. Osler was the first of many similar vessels to be built at the yards. But ill-luck hovered over the plant from the beginning. There were labor difficulties from the start, owing to the isolation of the plant, four miles from Bridgeburg, over execrable roads. The labor turnover was heavy. A strike and a fire added to difficulties.

The Canadian Shipbuilding Company went under and the plant was shut down. Some years later the Canadian Allis-Chalmers division of the Canadian General Electric bought it. For a year or two it was used for fabricating steel. It shut down again. Then in the latter stages of the war, the Allis-Chalmers Company got a contract for four 2,500-ton freighters. There was renewed activity at the yard. All four vessels were completed, the last passing up the river in 1919. And the plant has been closed since.

There have been rumors in the last few weeks that an American automobile concern was negotiating for the plant. These rumors lack confirmation. Negotiations of an American fibre company a year ago led to nothing.

Wills
Bonds
Stocks
Deeds
Policies
Family Records
Small Jewellery

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LAKE MATACHEWAN CLAIMS

Riverside Matachewan Mines will take over Kee-Billingham claims, east of Canadian Matachewan Mines.

News of the Mines for the Investor

PENDULUM SWINGS TO BUYING SIDE OF MINING LIST

Selling Pressure About Exhausted, Say Some of Leaders

Some of the close students of the mining market state that the selling pressure on the market has eased up and the swing is turning to the buying side. They state that they feel satisfied that the pendulum has swung the limit in the downward move and that has resulted in the slow but preceptible bettering of tone on the buying side. During the week the market was severely neglected, transactions falling off to a point not heretofore reached since the reaction set in some considerable time ago. There have been no outstanding features, except, perhaps, the weakness of Dome shares which have steadily slumped until $15 was reached. Teck-Hughes has held its recent gain fairly well, declining about a half dozen points in profit taking. The major portion of the big mines were absolutely neglected, both in the gold and silvers.

RAPID CHANGES FOR KIRKLAND LAKE CAMP

Big Jumps in Production Will Come in Quick Succession From Now On

Kirkland Lake camp is facing a series of big increases in production from now on. July set a record for the camp, but with Lake Shore swinging into its full stride this month will be better. Lake Shore with increased tonnage and Wright-Hargreaves with higher mill heads were responsible for the July increase.

The next jump will come in the fall when Wright-Hargreaves will put its enlarged mill in operation and Tough-Oakes-Burnside will start its 200-ton mill.

Then will likely come the new Teck-Hughes mill and the Sylvanite mill in quick succession while Kirkland Lake Gold should be making some progress about then. Farther to the east Crown Reserve and Associated Gold Fields will be well on with mill plans, while Argonaut should then be on a 200-ton basis. Blue Quartz at Painkiller Lake is being talked of for a mill while Barry Hollinger at Boston Creek is looking promisingly near.

RISE IN COPPER WILL HELP B.C. OPERATORS

Companies Have Not Been Doing Well With Metal Around 12 Cents

From Our Own Correspondent.

VICTORIA.—With copper at 13 cents a pound again and silver touching a new high price for the year, British Columbia's metal industries are looking for a period of reasonable prosperity. So far as copper is concerned, production is expected to become at least worth while. Up till now, with prices hovering around 12 cents, there has been little inducement to produce copper, but one cent makes the difference between profit and loss and the prospects to-day are much more favorable than they were a few weeks ago. Britannia Mining & Smelting Company, one of the largest copper units in the province, recently curtailed production and released 170 men. Now that the market has shown substantial improvement the company may resume operations on a normal scale. Granby Co., at Anyox, produced more copper in June than in the corresponding month a year ago—3,100,000 pounds. This concern produced about 57 per cent. of the total British Columbia output last year, while the Britannia Co. at Howe Sound was responsible for 38 per cent., the remainder being divided between Belmont-Surf Inlet in the Skeena, the Rossland camp and the Tidewater Copper Co. on Vancouver Island, the latter having been closed down recently.

WIDEN HOLLINGER TRADING

Application to list Hollinger Consolidated shares on Montreal Stock Exchange has been made. Years ago, before the merger and recapitalization of the company, the shares were listed, but since that time they have only figured in the unlisted market. Owing to the prominence of Hollinger, this step will be a decided acquisition to the list.

SELL SILVER PROPERTY

The Groulx property in Elk Lake has been taken over by Clifford Smith and associates. Silver was discovered right at the grass roots. Test pits were put down, and as much as four inches in width in high-grade ore has been placed in sight.

LORRAIN CUTS VEIN

Lorrain Consolidated is reported to have cut vein No. 3 on the 175-foot level, showing about two and one-half inches of smaltite; the vein was encountered in the cross-cut about eighty-five feet to the north of No. 2 vein where high-grade shoot occurs and both are in the Keewatin above the diabase sill.

BINGO LATEST ASSAYS

The latest report on assays of Bingo Mine, Herb Lake, Northern Manitoba, cabled to head office by Jos. Meyers, managing director, was as follows: Twenty samples from first and second levels average $13.06. Eleven additional samples from same levels average $12.83. All samples full width of drifts.

Herb Lake Claims Sold to Big English Concern

Broad Bay Mining Co., of Saskatoon sold 19 claims on Wekusko (Herb) Lake, to an English company. The claims, which are on the shore of Wekusko Lake, about 13 miles from the Hudson Bay Railway, will be operated for a year by the purchasers, by which time it is expected the developments will demonstrate the feasibility of forming a company in England for the working of the claims. The Broad Bay Mining Co. has reserved a certain quota of shares in the company and the sale calls for the expenditure of a definite sum on genuine development work. This work is intended to provide the means of determining the worth of the claims and the justification of the owners in proceeding with their further development.

Compares Teck-Hughes and Lake Shore Outlook

Some interesting comments and comparisons on Teck-Hughes and Lake Shore mines are made by W. J. Post of Cobalt, because of the recent jump of the former stock to $1.32. He got the story somewhere that brokers put the market up to clear up present holdings so as to underwrite a further issue if one is made. There are, however, reports that a further issue will not be necessary.

Post in making comparisons says:

Teck will have five million counters issued when payable dividends are being earned, as against only two million issued on Lake Shore. By this reckoning, Teck will have to earn $250,000 in dividends in order to pay five per cent., whereas Lake Shore can pay five per cent. on her issued capital for every $100,000 earned net.

"Lake Shore is expected to pay 50 per cent. at an early date—less than two years—or $1,000,000 annually. To do as well, Teck would have to attain a net earning capacity of $2,500,000 annually, and that day is still quite far off.

"Teck is an admirable mining proposition, with most efficient local management, but the method employed by the directing executive in promoting has annulled much that cannot very well now be undone.

"Another way to compare is: Lake Shore has about 150 ton mill capacity for each million shares issued, compares with just about 25 tons for each issued million shares of Teck—equal grade of ore capacity considered — and to equalize Teck would require a mill of 750 tons."

Smelters Are Again in Heavy Demand

The rise in shares of Consolidated Mining and Smelting which THE FINANCIAL POST predicted was coming long ago, seems to have got under way. The market is thus discounting the future for at present levels the stock gives a return of just better than three per cent.

Associated with the current move is the upturn of lead prices and the expectations of further improvement in both price and demand for both zinc and lead with the settlement of the Reparations problem. The company produces commodities that will be required in large quantities by a resumption of industrial activity on a large scale in Europe, and in this respect is proof against the arguments of those who predict that Reparations settlement will work against many lines of industry on this continent. The financial position of the company has improved greatly and it is further stated that the company is just about out of the hands of the bank. Another factor heard mentioned in connection with the stock is the inquiry reported some time ago for a large block of it by New York interests, although no tangible facts are available regarding this. The company has undoubted earning capacity, and with balance sheet problems ironed out and the power situation having been satisfactorily adjusted, the results which the company will be able to show might readily be of the spectacular order.

The company has tremendous expansion plans under way, while its ore reserves are said to be almost incalculable. Insiders have numbered among the heavy buyers.

Heavy Shipments of B.C. Ores to Belgium

Ten thousand tons of ore concentrates and bar metals, roughly valued at more than $220,000 have been shipped to Antweep, Belgium, from the Fraser River, B. C., this year.

Five freighters of Norwegian and German lines have removed this cargo which has been sent down to the Fraser River port from the Trail smelter of the Consolidated Mining & Smelting Company.

During the next few months ore shipments will increase.

DE-WATERING OLD CONTACT

Workings of old Cobalt Contact are being de-watered to allow sampling. Following the Haileybury fire some high grade silver was found on the dump, as result of the fire burning off muck and weathered material.

TO HANDLE ARGONAUT

Directors of Argonaut Gold, Ltd., have appointed Maurice W. Summerhayes, mining engineer, as consulting engineer, with full charge of mining operations of the company.

KEELEY MAKES NEW STRIKE

Keeley has encountered about six feet of good-looking mill ore showing ruby, argentite and leaf silver 400 feet north of the long cross-cut to the west on the eighth level.

EXPLORING SILVER FIND

Gowganda Silver Syndicate, working on Montreal River, has a shaft sunk a depth of 65 feet. Cross-cutting to the vein which yielded fine silver values on surface is under way.

McINTYRE TO START ON 4,000-FT. SHAFT

First Step in Huge Development and Expansion Program Is Decided On

McIntyre has decided to launch its first plan for enlargement. It will be a new 4,000-ft. shaft located a half-mile east of the present shaft, on the east claim of the old Jupiter holdings. As a result of exploration and drilling, Manager R. J. Enis, has decided this to be the desirable spot to undertake this deep mining venture. The move is of the greatest importance to the company and the camp as well. The dip of the McIntyre vein system is to the east and at the point where the shaft is going down results are expected below 3,000 feet.

It is believed that when the shaft is complete, McIntyre's next move will be a new and enlarged mill. These developments will be paid out of surplus earnings and the funds derived from the sale of stock, under the Miller option, all of which was taken up. The present dividend can be easily maintained, but indications are that an increase is a long way off.

The opinion is expressed that on Newray and Goldale properties deep mining will also be necessary.

GERMANY HAS HEAVY ORDER FOR SILVER

Tried to Buy 24,000,000 Ozs. in U.S. but Only Got One-Sixth Accepted

Germany bought 4,000,000 ounces of silver from three large U. S. companies for October delivery. Germany wanted 24,000,000 ounces, but the companies refused to contract for that amount at the existing market. Germany therefore wants 20,000,000 ounces more and will come into the market for it in 4,000,000 and 5,000,000 ounce lots.

Indications are that the U. S. concerns will get the chance of supplying it, but no matter where it is bought it is bound to influence the silver market, the tendency of which is upward.

Northern Ontario seems certain that the silver price is now on its way to the dollar mark and as a result new activity in silver properties is noticeable. Operations on old Cobalt properties, South Lorrain and Gowganda-Elk Lake district are increasing.

Alberta Coal Output Shows Effect of Strike

Production of coal in the Province of Alberta has declined during the first part of the present year in a comparison with the output in the same period in 1923. It has fallen off by 483,552 tons, the production of bituminous coal for the first five months of the year being 1,133,568 tons as against 1,576,046 tons for the same months of the previous year. Domestic coal mined shows a decrease of 105,843 tons, the tonnage for the first five months of this year being 1,075,011 as compared with 1,180,854 for 1923. There has been more sub-bituminous coal mined, however, the statistics reading: 409,330 tons for the 1924 period as against 244,561 tons during the early part of 1923. The coal strike, of course, is the cause of the falling off in bituminous production and in the increase in the output of the poorer grade fuel.

SILVER AND OTHER METALS

	18	19	20	21
Silver—				
London (d.)	33⅝	33 13/16	34 1/16	34 5/16
N. Y.	68⅛	68⅜	68½	68½
Copper	—	13¾	13⅝	13⅝
Lead	—	8.00	8.00	8.00
Zinc	—	6.20	6.22	6.25

MINING STOCK QUOTATIONS

WEEK ENDING AUGUST 19

	High	Low	Close Aug. 19	Close Aug. 12
Argonaut	36½	33	33	36
Atlas	3¾	3½	3¾	3⅜
Baldwin	2¼	2	2¼	2
Beatty	3½	3½	3½	3½
Beaver	14	14	14	14
Bidgood	6¼	6¼	6¼	6½
Buckingham	3⅞	3¾	3⅞	3¾
Can. Lorrain	64	61	61	61
Capitol	35½	35	35½	35½
Castle Tre	76½	73	73	77
Clifton Con.	13	13	13	13
Cons. Smelters	44	38¾	43¾	39
Cons.W.Dome.	18½	17	17¼	18½
Crown Res.	51½	49½	49½	51
Dome Mines	15.60	15.00	15.20	15.75
Dome Kirk	1	1	1	1
Everett	6	4¾	5	5½
Goldale	19¼	18½	18½	19
Hattie	4¼	3¾	3¾	4
Hollinger	15.20	13.70	13.95	13.90
Hunton	11	10½	11	11
Inspiration	10	10	10	10
Indian	15	11	11	12¾
Keora	12	11½	11½	12
Keeley	2.30	2.25	2.28	2.29
Kirk Lake	18	18	18	18½
Lakeside	10	7	7	10¼
La Rose	8	8	8	8½
Lake Shore	4.00	3.92	3.92	3.95
Lorrain T. L.	1.34	1.25	1.25	1.35
Lorrain	19	18	18½	19
McIntyre	15.90	15.55	15.75	15.85
McKinley	10¾	10½	10½	10½
Mining Corp.	2.42	2.35	2.37	2.45
Moneta	16¾	16¾	16¾	17½
Newray	25	20	20½	20
Nipissing	6.25	6.05	6.15	6.00
Night Hawk	35	35	35	37
Ophir	4	3¾	3⅞	4
Preston E.D.	11⅜	11	11½	11⅜
Pete Lake	9⅜	9¼	9⅜	9¾
Port Crown	6½	6½	6½	6½
Teck Hughes	1.30	1.26	1.27	1.29
Thompson Krist	2	2	2	1⅜
Timiskaming	19	19	19	18
Tough-Oakes	60½	57	58	60
Tretheway	13¾	13⅜	13½	13¼
Skead	18½	17½	18½	17½
Vipond Cons.	1.04	1.01	1.01	1.03
West Tree	4¾	4½	4½	4½
Wettlaufer	22	21¼	22	22¾
Wright Har.	3.76	3.75	3.75	3.80
New York Prices				
Int.Nickel,com	19¾	17½	19½	17⅜
Oil Companies				
B.A. Oil	34	34	34	34
Imperial	107	105	107	105
Mutual	11⅜	11⅜	11⅜	11¾

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BUSINESS SEES POSSIBILITY OF TRADE RECOVERY

(Continued from page 1)

dustry is one which has made progress towards recovery during the current year. Last year's total revenue from this industry was $42,565,000 and at the rate of increase which was evident during the first half of the year, the total value of the catch this year will be nearer $60,000,000. This represents employment for more than 50,000 men in the primary branches of the industry alone, and nearly 20,000 in the canning plants. The betterment in the purchasing power of this group ought to have a buoyant effect upon conditions in the Maritimes.

The foreign trade position of the country continues to register the improvement over previous years which has been noted in the past few months. During the twelve months ending with July our exports totalled $1,079,048,299, as against $1,008,350,519 for the previous comparable period, and $781,023,176 two years ago. Imports for the same period were some $30,000,000 lower than for the same period last year, increasing our favorable trade balance by 79.3 per cent. over the year ending with July 1923.

Big Flour Production

In the production of flour, records have been made in monthly output recently of around 2,200,000 barrels. Canadian flour production has always been below that of the United States. During May, Canada surpassed the United States in exporting 1,057,487 barrels of flour against 976,504 barrels from the States. United States producers have been milling about 1,200,000 bushels of Canadian wheat in bond each month during the past year, and as a result, some 250,000 barrels of flour have been exported as domestic flour of the United States. This would depress the figure for actual American exports to probably 730,000 barrels and would bring the Canadian figure up to 1,300,000 barrels. The average gross revenue from this industry during the year is well up to $150,000,000, and the increase in flour prices during the year will bring the figure well up to $165,000,000.

The quantity of grain including wheat, barley, oats, flax and rye received by elevators at Port Arthur, Fort William and Vancouver during the crop year just ended totalled 472,700,000 bushels in comparison with 316,000,000 bushels for the previous year. This is an increase of about 50 per cent. Since approximately 65 per cent. of this is wheat, the current rise in the prices of wheat is very significant. Taking into account also the rise in the prices of the other grains, and the percentage each was of the total, it is a safe estimate that the aggregate increase in revenue from this source was not less than $5,000,000. The circulation of increments of this magnitude into business cannot but have a beneficial effect.

Not so favorable is the situation in the steel industries. The production of 45,480 tons of pig iron in July marked a new low level for the year. The total tonnage, to date, however, while still below that of last year, is above the figures for 1921. Foundry iron was nearly 50 per cent. below the June total, and malleable iron was 79 per cent. below. Basic iron production, however, showed a substantial improvement.

MUCH NEW ACTIVITY IN SOUTH LORRAIN

Canadian Lorrain May Be Negotiating for Beaver Mill, Says Report

SILVER CENTRE. — Porcupine Keora Company has commenced work on its property at the south end of Oxbow Lake. Geological conditions here are considered to be favorable to the finding of silver values.

Canadian Lorrain developments are proceeding in a favorable manner, especially on the 250-foot level where some high-grade ore is being mined. The high-grade ore is not in any great quantity as yet, but there seems to be a considerable quantity of mill ore. The rumor that a South Lorrain company is endeavoring to acquire the Beaver mill at Cobalt may refer to the Canadian Lorrain company.

Clifton Consolidated is moving its plant from Porcupine and when installed on the South Lorrain property, sinking operations will commence in the Keewatin. It is estimated that 250 feet of sinking will be required to get down to the contact at which depth possibilities of finding silver are considered to be exceptionally good.

Wettlaufer has been pumped out, but it will take some time yet before actual developments are under way at the mine.

South Keora has uncovered fourteen good-looking veins, and the fault vein, or break, similar in appearance to the Wood's break, on the Keeley. In the last ten days to two weeks, work has been confined to the erection of camp buildings which have just been completed. Work in the fault vein, or break, is to be resumed at a point where a considerable amount of calcite and bloom is showing. The surface showing on this property is one of the best, if not the best in the district.

NIP. PULLS ITS DRILL

Nipissing is reported to have pulled its drill out of South Lorrain. A hole was put down 2,000 feet under Lake Temiskaming. The results have not been announced but it is not thought that they were over-encouraging

PICK UP RICH VEIN EXTENSION

Sylvanite at Kirkland Lake has encountered the extension of Wright-Hargreaves rich vein, which was opened up on the 1,000-ft. level. A long cross-cut was run to pick it up.

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Current Events in Banking World

BANK BORROWINGS, WHEN LEGITIMATE, ARE HEALTHY SIGN

Montreal Banker Has Heart to Heart Talk With Fellow Rotarians

A certain amount of legitimate borrowing is a healthy condition of business. Taking this as his keynote, James L. Carson, manager of the Bank of Toronto in Montreal, and a Rotarian, gave an interesting talk to the Montreal Rotary Club on business and banking. Mr. Carson's address will be interesting to other bank managers because it was just the kind of goodwill building talk that makes business men see their bankers in a newer and better light; not as controllers of money power, but as friendly advisers in business affairs, and as the source of working capital to enable more effective use to be made of invested capital.

Mr. Carson stressed the services of the bank manager in giving advice to business men. He stated that a business man should not keep aloof from his bankers. Banks generally wish to co-operate with their customers and are interested in the success of their businesses. A man may be an excellent buyer and seller, but not necessarily a good financier. It is here the bankers will come in and help, because they are anxious to see the business of their customers conducted on safe and sound lines financially. Even small businesses should not avoid consulting their bankers. They are often more in need of such advice than the large corporations. Whether a man's business be large or small he should not hesitate to consult with his bankers, because there are many instances recorded of such businesses getting into trouble which could easily have been averted if the customer had only taken the matter up in time with his bank.

The Essentials in a Loan

Mr. Corson's discussion on what the bank looks for in granting loans was as follows:

A bank's first duty is to its depositors. Prudent banking demands that the money entrusted to its care by its patrons and by its shareholders be safeguarded to the limit and be available whenever its depositors wish to draw it out.

An experienced banker has briefly summarized banking credit in this way. "There are no fixed rules or infallible tests as to the granting of credits. It is, of course, essential that the borrower shall have a good business reputation, that he give evidence of his capacity to conduct his business efficiently and that he have sufficient resources of his own so that his borrowings may be only for his current needs."

In granting credit, therefore, three elements are considered. They are usually called the three C's of credit.

Character—The moral risk.
Capacity—The business risk.
Capital—The property risk.

Every application for credit does not always possess all three but good credit depends upon the degree in which these elements enter into the risk.

The Fourth "C"

Some people who endeavor to establish credit relations with bankers have been introduced to a fourth C, which they said stood for "collateral."

It is difficult to say upon which of the three C's the banker lays most stress. He considers them all essential. Character, however, is undoubtedly the basic element, while ability is a close scond. Theoretically, at least, character plus capacity make the best combination because once such a merchant is supplied with credit he will create capital.

Business character is business reputation built up by long years of fair dealing.

Business capacity or ability is tested by the manner in which he conducts his business.

Busines capital should be ample for the needs of the business and should be liquid. The lack of capital will make overborrowing necessary and burden the business with too heavy interest charged. Business can run on credit for a time but there must be the backbone of invested capital to support the credit structure or it will collapse under the strain. It must be remembered that it is no function of a bank to furnish its patrons with permanent working capital, but rather to facilitate the operations of the business at certain periods, and good banking credit is based upon loans made after due consideration of the borrower and his standing, financial and otherwise, and subject to full liquidation within a reasonable time.

Sometimes it is remarked, what difference does it make to a banker whether I use his money in one way or another, sooner or later he will get his money back with interest and that is all he needs to fret about.

Let me emphasize that a banker is not in the business of making long term loans. A bank's patrons expect to be able to draw their money out of the bank whenever it suits them to do so, and a bank must keep its assets sufficiently liquid in order that it may be always in the position to meet the demands of its depositors.

Now that I have discussed the three elements connected with the granting of credit, let me take up briefly the question of the borrower's estimate of himself as reflected in the statement of his position, commonly known as his balance sheet, which is often accompanied by a condensed profit and loss statement, covering his operations for a certain fiscal period.

The purpose of the financial statement of a business is to present a picture of the financial position of that business at some certain date. The prime object of this statement is to answer the two questions (First)—What money is invested in the business and how? (Second)—From what source is such capital secured? The asset side of the statement shows the manner in which the funds used in a business are invested, and the liability side shows the sources from which the capital is secured.

It is good business for the customer as well as for the bank that the financial statement should be audited by a capable auditor. The efficient auditor, you will find, is not content with merely a compilation of the figures under their proper headings but will make it his business to criticise the statement constructively, point out any features of weakness and in many ways he can render valuable service to business concerns. A thoroughly efficient auditor is a pearl of great price to any business that employs him, and I would like to add this remark that the representation in the Rotary Club is composed entirely of pearls in my opinion.

A business concern should not be satisfied to know its position once a year but rather periodically throughout the year.

The balance sheet usually indicates the assets under the headings of "liquid" or "quick assets" and "fixed assets." The term liquid assets include such items as cash, trade accounts and bills receivable, merchandise which in the regular course will be liquidated in a short time. There are certain liquid assets that probably our American and Ontario friends appreciate the value of more so than we do, but I do not refer to that particular kind. Fixed assets on the other hand consist of real estate plant and machinery, furniture and fixtures, goodwill, etc., which constitute the permanent capital of the concern in an economic sense. The intention is not that such fixed assets will be liquidated, but rather they shall be used permanently to facilitate the operations of the owner and they can only be considered as giving a more or less definite support to quick assets.

Liabilities also are divided into current or floating liabilities and fixed liabilities. Current liabilities consist of notes payable, etc., which in the regular course of business will have to be paid off in the near future, while fixed liabilities consist almost entirely of long term bonds and mortgages.

Rapidity of Turnover Essential

It is easily understood that a concern must meet its current obligations from its current receipts. The certain knowledge which bankers have acquired by bitter experience during the recent period of deflation of values that a shrinkage may easily occur in the value of a concern's assets without a corresponding reduction in its liabilities has brought to them the desire that there should be a substantial margin between the liquid assets and current liabilities. The difference between the two, commonly called the quick surplus, represents the liquid capital that is running in and out all the time and this is what turns the wheels of business. The more rapidly the current assets of a concern are convertible into cash the less need be the proportion of current assets to current liabilities. The rapidity of turnover of quick assets cannot be overemphasized. A bank might lend $100,000 or more on assets which are rapidly turning into money where it would not be proper to lend one-half or one-quarter on the same assets if the turnover is uncertain and slow. Keep in as liquid a position as possible, I mean as regards working capital, while conditions are uncertain.

A popular impression seems to be that it is absolutely essential for a corporation to possess fixed assets which will enable it to turn out its product, whatever that product may be and that whatever sum is left over will necessarily have to serve as working capital. This is a dangerous and mistaken idea. The fact of the case is that for most corporations adequate working capital is essential while adequate fixed capital becomes desirable and necessary only after the success of the business has been fully demonstrated. There are certain businesses, of course, which require a large fixed asset investment for which the matter of working capital is not so important.

The extent to which a concern can expand current operations, however, depends upon working capital, an adequate supply of such capital will enable the manager of a business to build up inventories when advisable, to expand production in anticipation of increased sales, to carry customers as it deems desirable and to take fullest advantage of cash discounts on all purchases. Such a concern can confidently look to the bank to assist and supplement its working capital whenever necessary.

If the proprietor of a business fails to recognize the importance of achieving volume of sales and rapidity of turnover even though an incidental sacrifice of profits here and there may be involved, the result is that his shelves gradually become loaded with unsalable goods, his receipts are not sufficient to meet promptly all his obligations, his debts accumulate and his credit declines.

The turnover of inventories measures the rapidity with which stocks of goods are sold out and replenished. The more rapidly the investment in inventories is turned over the smaller the amount of capital required to do a given volume of business. On each turnover of an inventory a margin of profit is generally realized and discounts earned. The more rapidly this inventory investment may be turned over the more times per year the inventories are sold out, the larger is the return on the investment used.

The higher turnover affords less possibilities for surplus or obsolete stocks and may effect savings in expenses which would be incurred in carrying larger inventories such as insurance, storage, etc.

Real Service is Not Speculation

The real service of most merchandising and manufacturing concerns is in the manufacture and distribution of products rather than in speculation. The aim should be to perform these manufacturing and distributing services as economically and as efficiently as possible and within as short a period of time as practicable. Each particular line of business has its own characteristic turnover standards. In lines where the operating and distributing processes are slow a relatively larger investment is required to carry inventories.

Some concerns do not give sufficient consideration to the turnover of their receivables. Sometimes overdue accounts are less desirable than a large amount of possibly unsalable stock. If an establishment be cluttered with old stock the proprietor is very apt to make some sort of a drive on its reduction. It is good policy to do this as dead stock cannot be considered a liquid asset and is costly to carry. He often fails to realize that overdue accounts may be running up heavy interest charges against him through having to borrow in order to carry them. A good live and tactful credit man is invaluable in

(Continued on page 13)

BANK MERGERS ARE BENEFIT IN ENGLAND

Amalgamations of Big Five Have not Worked to the Advantage of Public

The amalgamation movement in British banking, notes an observer in the Bankers' Magazine, has reached its last phase. It is unlikely that there will be any further amalgamation of consequence. There are few banks left outside of the "big five," and as to any further amalgamation of these amalgamators, there is no desire for it in the quarters chiefly concerned, while the Treasury, which is now required by law as in Canada, to give its sanction, has made it clear that "further amalgamation of the larger banks would not be likely to be viewed with favor."

It is, therefore, a fitting time to review the results of the movement, says the Journal of the Canadian Bankers' Association:

When it was at its height, about 1918, certain dire consequences were forecast. First, the restriction of accommodation, through the lessening of competition. As a rule, it seems agreed, the result of the fusion has been to intensify rather than to lessen competition, and particularly have the loans in rural branches increased, though it is also observed that in some individual cases the old private banks may have been more liberal or more risk-taking with their own funds than the joint stock banks think desirable with the money of their shareholders and depositors. Second, the writing down of bank capital. This fear has been met by adding the sums written off to inner reserves or issuing fresh capital, though it is widely held that it would be desirable to increase the ratio of capital to deposits. Third, the creation of a money trust. This somewhat vague fear has disappeared, in the face of the obvious competition and frequent difference in monetary policy of the Big Five. Again, the absorption of highly specialized small banks, as for example those which concentrated on foreign banking, might, it was thought, lead to some slackening under the new administration. That it is possible this was in some measure true is admitted, though it is equally likely that it was the over-rapid expansion of foreign business and the unsettled conditions abroad that made it necessary of recent years to withdraw from a good deal of the foreign field.

On the whole, while some of the amalgamations may have been prompted by personal and institutional pride, rather than by solid business motives, the movement as a whole has not been followed by any of the serious results prohpesied.

Exchange

Low interest rates and the large volume of uninvested funds in the United States are among the primary causes for the return of the Canadian dollar to par in New York this week. Owing to the depressed condition of industry there, there is little call for money, and the lowering of the interest rates has failed to start business moving. As a consequence, the interest of the United States investor is turning to Canada. It is also rumored that the illicit liquor trade has created a substantial demand for Canadian dollars in New York and other cities of the United States.

The Canadian dollar is in a very much better position than it has been at this time of the year for some time. Last year at this time there was a discount of nearly three per cent., and it was not until late in October that crop movements brought the discount below one per cent. While there is nothing to indicate that the discount may not return, the financial standing of the Canadian dollar is much stronger, and a premium on Canadian funds is not improbable.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Aug. 14	3-16	⅛	3-32	1-16
Aug. 15	⅛	1-16	1-16	1-32
Aug. 16	3-32	1-16	1-16	1-32
Aug. 18	1-16	1-32	3-16	5-32
Aug. 19	1-16	1-32	—	—
Aug. 20	3-32	1-16	⅛	1-32

EXCHANGE .. ..

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Aug. 14	$4.53⅞	5.63½	4.50
Aug. 15	4.54⅞	5.70	4.51¾
Aug. 16	4.54⅞	5.69	4.52
Aug. 18	4.50	5.45½	4.47
Aug. 19	4.49¾	5.40½	4.44¾
Aug. 20	4.48¼	5.38	4.39½

Weekly Bank Clearings

(In comparison with same week last year).

EASTERN CITIES

	Week end Aug. 14,'24	Week end Aug. 16,'23
Halifax, N.S.	$2,597,525	$2,812,298
St. John, N.B.....	2,645,343	2,678,192
Moncton, N.B. ...	660,925	739,183
Sherbrooke, Que. ..	715,697	727,445
Quebec, Que.	5,022,033	5,575,682
Montreal, Que. ..	105,081,566	93,137,760
Ottawa, Ont.	5,793,482	6,551,702
Kingston, Ont. . .	704,762	695,658
Peterboro, Ont. ..	710,411	725,335
Toronto, Ont.	91,442,118	102,298,704
Hamilton, Ont. ...	4,634,449	5,377,168
Brantford, Ont. ..	719,582	1,005,216
London, Ont.	2,436,487	2,772,144
Kitchener, Ont. ..	916,073	1,045,170
Windsor, Ont. ...	3,333,044	3,716,101
Totals	$227,413,497	$229,857,758

WESTERN CITIES

Fort William, Ont..	$ 814,676	$ 827,119
Winnipeg, Man. ..	39,470,715	33,380,252
Brandon, Man. ..	472,599	580,510
Regina, Sask.	2,474,107	3,267,989
Saskatoon, Sask. .	1,335,884	1,484,874
Moose Jaw, Sask..	883,184	1,289,975
Prince Albert, Sask.	259,861	310,687
Lethbridge, Alta. .	469,763	677,462
Calgary, Alta. ...	4,287,301	4,408,391
Edmonton, Alta. .	3,622,582	3,652,844
Med. Hat, Alta. ..	265,369	282,552
New Westmins'r .	607,045	534,574
Vancouver, B.C. .	14,851,145	14,345,063
Victoria, B. C.....	1,959,281	2,153,546
Totals	$71,773,512	$69,195,838
	1924	1923
Tot'l. East. Cities	$227,413,497	229,857,758
Do., West. Cities..	71,773,512	69,195,838
All Canada	$299,187,007	$299,053,596

Printers' Union Not Ready for Labor Bank

The success of the Brotherhood of Locomotive Engineers in banking and other financial fields did not induce the International Typographical Union to consider favorably the establishment of a union bank at the convention held in Toronto, last week. The matter had been referred to the committee on finance which endorsed a resolution by Fred Pfarrer, of Dayton, Ohio, setting forth that there was a strong sentiment among union printers in favor of a bank and trust company, owned and controlled by members of the union in good standing and recommending that a committee be formed to go ahead with the plan. When the question was put to the convention, however, the scheme was voted down.

Staff Gossip

J. B. Hegan, formerly accountant of the Bank of Commerce, Moncton, N.B., but who has been relieving manager of the branch at Bass River, N.S., leaves St. John this week for Kingston, where he will be acting manager for a time.—The News, Truro, N.S.

• • •

Norman Vicq, of Moosejaw, underwent a blood transfusion so that his father, J. G. Vicq, local manager of the Union Bank of Canada, might have every chance in his fight for life. Mr. Vicq was seriously ill in hospital and the son volunteered for the transfusion, contributing three quarters of a pint of blood.

• • •

J. A. McLeod, Toronto, general manager of the Bank of Nova Scotia, R. H. Anderson, supervisor, and John E. Moore, of St. John, were in town recently and made an informal call on the local branch officials. They were guests in Newcastle of Lord Beaverbrook, who is home on a visit to his mother, Mrs. Aiken, of Newcastle. Mr. McLeod and party left for Moncton in their auto.—The Gazette, Chatham, N.B.

• • •

A. T. Broderick, for the past fourteen years manager of the local branch of the Union Bank of Canada, has been superannuated and will relinquish his duties at the end of this month. He will be succeeded here by H. H. Little, manager of the branch at Hazelton, and S. J. Winsby, formerly accountant here and more recently manager of one of the Edmonton city sub-branches, will take charge at Hazelton. Mr. Broderick, who is at present the oldest manager in the service of the Union Bank, assumed his duties here in October, 1910, coming from Manitoba. He succeeded E. K. Strathy who went to Winnipeg. Though he owns property in Prince Rupert, Mr. Broderick does not intend to remain in the city. He has not definitely set out his plans for the future, however.—The News, Prince Rupert, B.C.

• • •

A group of Palmerston business men, numbering about 200 gathered at the home of L. Matthews, and after expressing regret at the departure of this popular manager of the Bank of Commerce and wishing him success, presented him with a watch and chain, as evidence of the esteem in which he was held here. The address read as follows: "Dear Mr. Matthews: We, your fellow townsmen, learned some time ago that you were likely to take up your residence elsewhere, and we can assure you the news was anything but welcome. We will miss you more ways than one. Since coming to Palmerston you have always been faithful in your efforts for the welfare of the old town. In business your advice was always good; in sport you were ever ready to lend a helping hand, and in a social way, you were a good sport. That these sentiments are the sentiments of each and every business man in town, without exception contributed towards the giving of this watch and chain, which we ask you to accept as a slight token of our appreciation of your good citizenship while with us. Wherever your lot may be cast, we wish you and yours the best health, wealth, and happiness. Signed on behalf of every business man in Palmerston, George G. Lawrence, Mayor."

ROYAL BANK

W. R. Riddell, of the head office staff of the Royal Bank of Canada, has been appointed assistant manager at the Hamilton branch and will leave early in September to take up his new duties.

IMPERIAL BANK

L. F. A. Johnstone, formerly of Krydor, Sask., has been appointed manager at Dafoe, Sask.

A branch of the bank is being opened at the Toronto exhibition on August 23 under the management of J. W. Willis.

H. T. Jaffray, assistant general manager, Winnipeg, is temporarily attached to the head office, Toronto.

J. Campion, formerly manager of Hawkesbury branch, which was closed in June, is acting as relieving manager in Northern Ontario for the summer months and is at present in charge of South Porcupine branch while Mr. Michaud is on his vacation and "honeymoon."

LOCKED IN BANK VAULT

Two clerks in the Millwood Road and Yonge Street Branch of the Imperial Bank of Canada were locked in the vault for forty-five minutes Saturday last when the door closed behind them. The clerks, H. Smith, 49 Millwood Road, and R. Smith, 33 Imperial Avenue, were released when police located an official of the safe works who opened the door.

DEATH OF VETERAN BANKER

Charles Joseph de Vercheres Robitaille, for 42 years accountant with the Caisse d'Economie, and son of the first president of that institution, died at Quebec in the Hotel Dieu after an illness of ten days. The late Mr. Robitaille, who resigned from the Caisse d'Economie recently, was a half-brother of the wife of His Honor J. Robitaille, Lieutenant-Governor of the province from 1879 to 1884.

DEPOSITS ARE HIGHER

Loan and Trust deposits at the half year totalled $36,747,112, compared with $36,631,131 at the end of the first quarter. Compared with a year ago, there is a slight falling off from $37,779,149. The holdings stand:

	1924	1923
Cash on hand or in banks	3,916,176	$ 4,516,073
Govt. bonds or guar.	9,675,024	10,088,046
Mun. deb.	4,230,855	3,994,638
Demand loans ..	1,234,726	817,524
	$19,056,781	$19,416,281

EXAM. RESULTS IN BANKING COURSES

Those Who Passed and Obtained Honors in Studies Conducted by Queen's University

The tenth annual examinations in connection with the courses in banking, were held June 9-14, at various centres at which students had made application, by Queen's University on behalf of the Canadian Bankers' Association. The courses, which fall into two parts—the preliminary course leading to the degree of Associate, and the advanced course leading to the degree of Fellow of the Canadian Bankers' Association—consist of six subjects each. As in former years, candidates were allowed to write on any number of subjects from one to six and were credited with all in which the required standing was obtained. They were, however, only given a diploma if they obtained over 40 per cent. in each subject and 60 per cent. on the aggregate of six subjects. Students obtaining sixty marks or over on each subject and an average of 75 per cent. recieve Honour standing. Below are given the lists of students obtaining honours and also the pass list showing those who succeeded in completing, with satisfactory standard, the work required for the Fellows' and Associates' diplomas.

GRADUATES IN FELLOWS' COURSE

Honors—The following candidates have been awarded the standing of Fellows of the Canadian Bankers' Association, with honours; in order of standing:

J. H. Watson (Commerce), Central Butte, Sask.; A. F. McCallum, (Commerce) Bassina, Alta., W. H. Phillips, (Montreal) West Lorne, Ont., equal; R. O. G. Bennet, (Montreal) Edmonton, Alta., J. M. Bernuy, (Royal) St. Rose Du Lac, Man., equal.

Pass—The following candidates have been awarded the standing of Fellow of the Canadian Bankers' Association; in order of standing:

L A. Shearer, (Union) Waterhole, Alta.; J. M. Irvine, (Commerce) Toronto, Ont.; H. E. Illingworth, (Commerce) Rockyford, Alta.; D. O. Forsythe, (Royal) Melita, Man.; N. M. Anderson (Toronto), Detroit, Mich.; E. K. Picken, (Commerce) Bassano, Alta., equal; S. W. Caughey, (Commerce) Central Butte, Sask.; A. R. Pye, (Montreal) Carbonear, Nfld.; Miss A. Berrens, (Commerce) Drinkwater, Sask., McG. Wilkinson, (Union) Radville, Sask., equal; A. Borrowman, (Royal) Vancouver, B.C.; H. D. Helstrop, (Molsons) Montreal, Que.; G. R. Conrad, (Royal) Halifax, NS.; W. D. Tod, (Montreal) Winnipeg, Man.; J. G. Southern, (Standard) Blindloss, Alta.; J. C. B. Williamson, (Imperial) Wetaskiwin, Alta.; E. Arpin, (Provincial) Sainte Rose, Que.; G. A. Goddard, (Royal) Kirkland Lake, Ont.; S. C. Forrest, (Commerce) Ottawa, Ont; A. S. Oliver, (Montreal) Hamilton, Ont; C. C. Welford, (Montreal) Kincardine, Ont.; J. L. Adam, (Royal) Edmonton, Alta.; J. E. Renaud, (Molsons) Winnipeg, Man.; C. M. Vent, (Standard) Toronto, equal.

GRADUATES IN ASSOCIATES' COURSE

Honors—The following candidates have been awarded the standing of Associate of the Canadian Bankers' Association, with honors; in order of standing:

L. E. Tritschler (Montreal) Winnipeg, Man.; M. E. Kerr (Toronto) Kennedy, Sask.; F. A. VonZuben (Commerce) Listowel, Ont.; G. K. Laing (Nova Scotia) St. John's, Nfld.; G. L. Johnstone (Montreal) Brantford, Ont.; A. Clay (Nova Scotia) Toronto, Ont., A. J. Ross (Royal) Victoria, B.C., equal; H. A. Reid (Molsons) Lucknow, Ont.; R. E. Emmett (Royal), Lac du Bonnet, Man.; C. W. Rotchell (Montreal), Aurora, Ont.; Miss K. G. Macdonald (Commerce), North Sydney, N. S.; N. A. Burrows (Royal,) Montreal, Que.; A. Craigie (Imperial), Toronto, Ont., M. P. Harrison (Imperial), Hamilton, Ont., H. D. Hilton (Royal), Toronto, Ont., A. A. McIntosh (Nova Scotia), Toronto, Ont, equal.

Pass—The following candidates have been awarded the standing of Associate of the Canadian Bankers' Association; in order of standing:

J. A. Gagnon (d'Hochelaga), Outremont, Que.; C. K. F. West (Standard), Lucan Ont.; C. Bossons (Commerce) Abernethy, Sask.; W. A. Hotson (Montreal), Vancouver, B.C.; R. B. Arnold (Commerce), Calgary, Alta; H. Brown (Nova Scotia), Fredericton, N.B.; C. H. Samson (Royal), Saulte Ste. Marie, Ont.; G. E. Dickson (Commerce) Calgary, Alta. A.M. Dunstan (Commerce) Toronto, Ont., J. G. Duthie (Commerce), Pincher Creek, Alta., equal; A. G. Robinson (Imperial), Toronto, Ont.; P. H. Howarth (Montreal), Midland, Ont.; F. Saavedra (Royal), Catano, Porto Rico; F. A. H. Devinney (Commerce), Pouce Cupe, B.C., R. A. McStay (Nova Scotia), Perth, Ont., equal; C. M. Wagar (Royal), Belleville, Ont.; L. H. Nanson (Dominion), Hamilton, Ont.; E. I. I. Merkel (Montreal), Preston, Ont.; A. B. Smith (Commerce), Wiarton, Ont.; J. S. Hore (Montreal), Brampton, Ont.; J S. Harding (Molsons), Delhi, Ont., H. L. McKay (Montreal), Neepawa, Man., F. C. Millard (Toronto), Glenavon, Sask., equal; W. J. Whelan (Union), Essex, Ont.; J. D. Sills (Commerce), Edam, Sask.; F. J. Finlay (Nova Scotia), Santo Domingo, R. D.; F. G. Hewitt (Commerce), Fort Rouge, Man.; A. C. Mason (Royal), Toronto, Ont.; T. W. Tod (Montreal), Winnipeg, Man.; C. A. Rannie (Union) Hillsburgh, Ont; F. Gidge (Nova Scotia), St. John's, Nfld., G. Walker (Commerce), Prince George, B.C., equal; J. B. Miller (Royal), High River, Alta.; L. F. A. Johnstone (Imperial), Krydor, Sask; R. B. Gilmore (Imperial), Toronto, Ont.; T. A. Henson (Imperial), Woodstock, Ont.; H. E. Brathen (Montreal), Senlac, Sask.; R. E. Emberly (Nova Scotia), Catalina, Nfld.; J. G. Doddridge, (Nova Scotia), New Richmond, Que.; G. L. Locke (Molsons), Williamsburg, Ont.; L. A. Belisle (Nationale), St. Pacome, Que., G. M. Springer (Imperial), Ridgeway, Ont., equal; G. R. Stedman (Nova Scotia), Perth, Ont.; H. B. Johnston (Montreal), Stratford, Ont.; E. H. King (Sterling) Toronto, Ont.; R. F. Lambert (Molsons), Highgate, Ont., J. S. Nicol (Commerce), Prince Albert Sask., equal; I. V. Gibson (Commerce), Portage La Prairie, Man., Annie M. Lodge (Nova Sctia), St. John's, Nfld., equal; R. H. Liston (Montreal), Winnipeg, Man., A. C. Snyder (Union) Cochrane, Alta., equal; W. R. Ballantyne, (Nova Scotia), Scotia) North Bay, Ont., W. A. Fraser (Union), Wellwood, Man., J. E. Gilbert (Imperial), Kenora, Ont., E. L. Hodson (Montreal), Trochu, Alta, A. E. Jenner (Commerce), Grimsby, Ont., J. W. A. Jorden (Montreal), Alliston, Ont., N. B. Moore (Nova Scotia), Toronto, Ont., G. Westman (Imperial), Vancouver, J. W. Wilcock (Royal) Cumberland, B.C., equal.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO AUG. 22, 1924.

A DANGEROUS EXPERIMENT

LABOR Unions of Canada are considering a plan to launch a new automobile company to provide jobs for machinists now unemployed. There is evidence to indicate that the initiative in the plan has come from the promoters of a new type of automobile.

The unions do not seem to have chosen wisely in their choice of product. About 85 per cent. of automobile production is concentrated in the hands of two companies. The chances for a small company in Canada or the United States are slight even under able management. The fact that companies formed to exploit the automobile design they have chosen have failed to make good in either Canada or the United States is an additional reason for caution.

No one will quarrel with practical socialism in the form of investment by workers of their savings in the shares of the corporations they work for. Such companies as Bell Telephone, Laurentide Company, Steel Company of Canada, etc., have many of their employees owning stock and are demonstrating the efficacy of this manner of applying socialistic theories. The more widespread this movement becomes the greater the solidity of the labor and industrial structure in Canada.

Selling workers stock in a new and hazardous promotion, entering a field that is one of the most difficult in manufacturing, is a different proposition. With every desire to be fair, it can only be felt that the worker-investors are likely to lose their money.

GETTING THE BUSINESS

MANUFACTURERS and merchants, and Canadian business men in general, who are glooming about conditions and hoping for a return of the boom days of a few years ago should talk with Hon. P. C. Larkin, Canada's High Commissioner to Great Britain, Mr. Larkin declares that Canada is the most prosperous country on the face of the globe. He speaks in terms of the material things which Canadians enjoy. The people of no other country in the world, he says—not even excepting the United States—are on the average able to buy the necessities and luxuries of life to the same extent as the people of this country.

Mr Larkin's statement indicates that the people of Canada can and are buying. This bears out the idea that business to-day is closer to normal than it was during the days of inflated prices and inflated profits. It is a question of adjusting business to conditions rather than of waiting for conditions to adjust themselves to business. The manufacturers, the wholesalers and the retailers who have realized that conditions have changed—and conditions are always changing—and who have adjusted their methods accordingly are not complaining about business. On the other hand those who are still trying to operate with organizations which were built up during the abnormal boom period and who are waiting for the "good times" to come back again, are looking in vain for the profits they used to be able to show—profits which in many cases were merely book entries and disappeared when paper values were adjusted to a sound basis.

Mr. Larkin knows world conditions. He knows whereof he speaks when he says that in no other country are the individuals as good buyers as they are in Canada. If buying power is improved through increased income from crops and other sources, well and good, but the big point is that the business concerns which have adjusted themselves to conditions rather than waiting for conditions to change, and have gone after trade aggressively, are not complaining about "hard times."

REAL MISSIONARY WORK

A PARTY of 25 of the world's leading geologists has just completed a short study of the gold and silver mines of Northern Ontario. These scientists, mostly Englishmen, will return home with an excellent knowledge of the complex geology of that country. To their geological classes in the universities, or to their directorates, if associated with large mining companies, they will impart first hand information about the potential wealth of these new gold fields.

It was a good stroke of business on the part of the Ontario Department of Mines to send this party into the north before they returned home after attending the meeting of the British Association for the Advancement of Science. Hon. Chas. McCrea just back from England, was well able to appreciate the value of having such authorities go back and lend support to his portrayal of the chances for British capital in these mining fields.

TARIFF TINKERING

OPENING his Ontario tour, Premier King said at Markham, in reference to the government's tariff program that "the saddest part of it all for the Tory party is that they will have to sit by and look on for another year or two—because we don't propose to quit—and see just what our tariff changes are worth."

Apart from such political considerations as to what the Tory party may have to do or whether or not there is to be an early election, there is the important point raised by Mr. King's statement, that not only will the Tory party have to wait for a couple of years to see what is the effect of the tariff changes, but that Canadian industry and trade will have to wait likewise. And in the meantime business is hesitating. Col. Arthur Hatch, president of the Canadian Manufacturers' Association emphasizes this very point when he says that British capital will not come to Canada to finance new ventures until the tariff atmosphere is settled. Capital at home is similarly affected.

Canadian trade and industry are actually more disturbed by tariff changes, as changes, than whether such changes are up or down. It is for this reason that THE FINANCIAL POST has advocated a permanent tariff commission with members representing the interests of farmers and workers as well as manufacturers to deal with tariff questions. There would then be assurance that the government would have sound advice in making tariff changes affecting any industry and would realize the probable consequences without having to wait several years to note the effects.

There should be reasonable assurance that our national tariff policy is economically sound as well as politically expedient.

EDITORIAL NOTES

ANYWAY there is a lot of satisfaction in seeing the Canadian dollar quoted at par in New York.

• • •

GOSSIP of Chicago wheat pit has raised the profits of Arthur C. Cutten, the native of Guelph, Ont., as the result of the recent bull movement to $7,000,000. Brokers point out that this sum would mean over 30 cents a bushel profit on 20,000,000 bushels, and the Wall Street Journal thinks that this is "too much of a fairy tale to be true."

• • •

THAT the Ontario farmer must send the best he has or can produce if he wants the British markets, is the conviction of Hon. J. S. Martin minister of agriculture, after investigating conditions in England. This agrees with what THE FINANCIAL POST has been urging, particularly in regard to butter. It is highly important that the minister of agriculture should appreciate the situation and a business man like Mr. Martin should be able to get results.

• • •

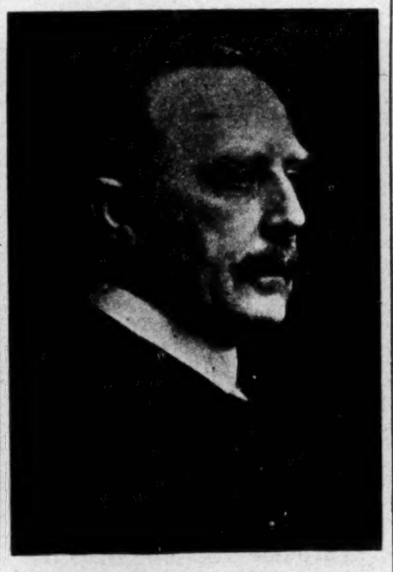
THE report that Sir Adam Beck was planning to go to England to live was regarded with nothing short of consternation in Hydro Electric circles. This indicates the weakness of this great public ownership enterprise. It is a one-man organization. And even if Sir Adam does not go to England—a step which we believe he has for years contemplated—he cannot be counted upon to carry on the Hydro projects indefinitely. The Hydro should be so organized that it can function efficiently without Sir Adam Beck.

• • •

RENO, a small community 6 miles east of Paris, Tex., reversed the time-honored custom of towns following the railroad. The town saw only four trains a day passing through it while about half a mile away a steady stream of traffic was passing over a concrete highway. So the town packed up all of its three business houses and moved over to the highway. Only a swimming pool was left at the old site. The gasoline vehicle is causing a change which demands consideration in considering transportation services and investments.

Nanton's Career Synchronizes With Development of West

Forty Years he has Played a Leading Part in the Upbuilding of Winnipeg's Financial and Business Institutions with Interests Extending to Wider Fields.



SIR AUGUSTUS NANTON, K.B.

Sir Augustus Meredith Nanton, K.B., newly elected president of the Dominion Bank, has in late years frequently been referred to as the leading financial figure in Western Canada. He has spent an even 40 years in Winnipeg, and his close connection with Western financial institutions, his intimate knowledge of the development and possibilities of the Western prairies, and his wide experience gained in a section of the Dominion which has faced alternate cycles of adversity and prosperity, made him the logical choice as head of the institution whose administration he will now direct.

Sir Augustus was born in Toronto on May 7, 1860. His father, Augustus Nanton, was a barrister of considerable prominence and for many years was a partner of Sir A. T. Galt. His mother was the daughter of the late Sheriff Jarvis of York County. Sir Augustus attended the model school in Toronto until he was thirteen years of age.

His eminence in the business world was obtained through his individual exertions, indomitable industry, and strict adherence to principles which he has continued since the commencement of his business career.

Began in Real Estate

On leaving school he began the battle of life in a real estate office in Toronto. Two years later he entered the office of Osler and Hammond. From the outset his ability and energy asserted themselves and promotion came rapidly. In 1884 he was taken into partnership with the other members of the firm, and sent out to open a branch of the house in Winnipeg. For years he was executive head of the firm of Osler, Hammond and Nanton.

On his arrival in Winnipeg he was only 24 years of age. He had gained a valuable experience in Toronto, but when he entered the youthful city of Winnipeg he faced a problem which required originality no less than energy.

The collapse of the boom had left the usual trail of disaster. In the minds of the settlers and townsmen black despair had replaced the former bubble-like optimism and required a strong hand and sound judgment to pilot the business of which he found himself at the helm. Conditions in Manitoba were essentially different from those which had prevailed in the older province of Ontario. While the first ten years of his business career in the West were necessarily difficult, he laid the foundation which brought to him a clear vision on problems peculiar to the West.

The six-year period from 1894 to 1900 was particularly critical for Manitoba. Agricultural interests were subjected to a severe test. More than usual adversity overtook the crops, and prices were exceptionally low. During this time, Sir Augustus was appointed receiver of the Manitoba and Northwestern Railway Company, with the special mission of looking after the interests of the English bondholders. That he satisfactorily carried out his task was evidenced by the extensive connection he established from this time with British investors, which increased with the lapse of years. The successful receivership was terminated by the sale of the assets of the line, which has since been operated by the Canadian Pacific Railway.

Big Man in the West

Following 1900 particularly, his business and interest in Western Canada expanded remarkably, and he became a recognized authority on financial matters. While he was never prevailed upon to enter public life, he held numerous offices and positions of trust. In 1908 he became president of the Winnipeg Board of Trade. He was logically one of the prominent parties in the organization of the Winnipeg Stock Exchange and served for a time as its president.

During the war, Sir Augustus was one of the organizers of the Manitoba Patriotic Fund, of which he served as president. He was a big factor in making this enterprise a success. It was the first of its kind to be organized, and the plans laid for the Manitoba organization were followed in numerous instances.

From the moment of the outbreak of war in 1914 he devoted liberally of his time, energy, and means, to any and all projects which might be of assistance in successful prosecution of the conflict. One of the most valuable of his war-period contributions was the leadership he gave to the Manitoba Victory Loan organization, which acquitted itself with distinction in every instance in which it was called upon to function. He contributed liberally to many other patriotic appeals. The knighthood which was subsequently conferred upon him was generally understood to have been given him in particular recognition of his services of a patriotic nature.

Director of nearly a score of companies, many of them interested wholly in the West, and all of them in part, his counsel was often sought by provincial governments, municipalities and business organizations of all kinds. He is now president of the Winnipeg Electric Railway Company, and the Manitoba Power Company. It has been rumored for some time that his retirement as president of these organizations was likely, and that he, in fact, had been persuaded to retain the office until the affairs of the traction company had been thoroughly straightened out, and the railway placed on a sound financial basis. No announcement regarding the Winnipeg Electric has yet been made, but it is believed that his retirement will follow on assuming the presidency of the Dominion Bank.

Directs Many Companies

He was also director and chairman of the Canadian committee of the Hudson's Bay Company, succeeding to that post which became vacant by the death of Lord Strathcona. On the death of Sir William Whyte, who for many years had been the representative of the West on the board of directors of the Canadian Pacific Railway, Sir Augustus took a place on the board.

He also acted as vice-president of the Great West Life Assurance Company, whose head office is in Winnipeg. He was managing director of the Alberta Railway and Irrigation Company, director of the Northern Trust Company, president of the Manitoba Cartage Company, director of the Toronto General Trust Corporation, director of the North of Scotland Mortgage Company, director of the Manitoba Bridge and Iron Works, and also of the Ogilvie Flour Mills Company.

No small part of the signal success which has come to those Western institutions with which he has been connected is known to have been due to the ardor with which he has served their interests, and the wise counsel rendered at critical periods. He was for a time a governor of Winnipeg General Hospital, and in this capacity worked for the highest standard of efficiency which medical science and careful administration could attain. The fact that the institution is to-day ranked as one of the four most efficient institutions of the kind on the continent in a recent report of the College of Surgeons for America, evidences that the conditions he aimed at have been attained.

Among the other companies with which Sir Augustus Nanton is now connected either as an officer or as a member of the board of directors are the Cockshutt Plow Company Canada Starch Company, Guarantee Company of North America, British-America Oil Company, and the Crescent Creamery Company.

He was knighted June 4, 1917. The honor conferred was considered among his friends and acquaintances in Western Canada as a well-deserved tribute to one who had ungrudgingly given of his time and means in working to promote the cause of the allies in the world war

The New President of the Standard

ARTHUR F. WHITE

Men largely interested in Toronto's financial life, are unanimous in their opinions that the Standard Bank has made a good choice in the selection of Arthur F. White as president, to succeed the late Mr. Wellington Francis. "Thoroughly fitted to fill the position;" "A man of wide financial experience; he'll make good;" "The right man in the right place." These are some of the opinions expressed by bankers and financiers regarding Mr. White's appointment.

While the announcement did not come as a surprise to those who have been closely following Mr. White's career, it has been urged that his name has not been as prominently before the public as the names of other men who were considered eligible for election. The answer to this is found in a study of Mr. White's business experience, and of the conditions facing industry and finance in Canada to-day.

The growth of our banking system, and its spread into all phases of community life, has brought about conditions where, to serve a bank best, its president must, in a sense, be all things to all men. The farmer, the capitalist and the manufacturer must receive equal, intelligent and adequate treatment. Mr. White's experience has brought him into intimate touch with these three great factors in our national well being.

Varied Bank Experience

During his early years, in his home town, in Markham, he served in the local branch of the institution he now heads. Agricultural accounts and all the problems of small town activity passed through his hands, while later, as accountant at the Temple Building branch of the Standard, in Toronto, he secured a grasp of metropolitan conditions. His work in this post was so thoroughly appreciated that on one occasion he was "loaned" by the bank to a large corporation to re-organize their office system and control their finances. This was a move that meant much for the coming financier. It afforded him a "direct contact" opportunity to study Canadian industrial and manufacturing conditions from the viewpoint of the factory operator with payrolls and invoices to meet. Whereas, previously, he had watched business as a banker—a granter of credit—a loaner, he found that in his new work he must take inventory of his company's resources and set them forth in a manner most likely to appeal to the judgment of those who sit at the world's money counting tables. He found that there are problems peculiar to each; problems similar in purpose, perhaps, but of greatly different appearance, depending on whether you are the banker or the manufacturer. In this position he found proof of the statement that business requires team work. The borrower and lender are a good team of horses, if you will, each moving with a single purpose, but of very different temperaments. It is necessary to know the peculiar foibles of each horse if you want to drive to success. He learnt and the bank and business in general will doubtless profit.

That was step two, in the young man's training. Then came the Dominion Securities Corporation and Mr. E. R. Wood. With all respect to other great Canadian financiers, it is doubtful if a better teacher could be found than "E. R." as the boys call him, or a better school than the, "D. S. C." White joined the staff in 1911—it practically amounted to a college in finance, and he did not skip any lectures. He bought and sold bonds of big and little towns and of large and small industries. He negotiated for the purchase of securities of city, province and factory and in the intensive analysis necessary for such undertakings he gradually climbed the third step of the training that was to fit him for his present responsible position. He lived in and learned and came to intimately know the details of handling those major financial undertakings—large bond issues— the marketing of which denote our national progress and which have become so great a part of a banker's profession.

Again his keen brain and natural grasp of business fundamentals won appreciation. In 1916 he became a partner of the Dominion Securities, that is, he was elected a director and executive officer, a position he has held ever since and will retain. Then the war! While it is not urged that war training is essential for a good bank president, it is noteworthy that Mr. White's co-directors point with pride to the record of their new president. Though not by any means militaristic by nature or temperament, he saw considerable service with the 15th Battallion of the 48th Highlanders and was retired having suffered the loss of an eye in one of the engagements along the famous Hindenburg Line.

Post-war financial conditions have admittedly tried the mettle of many of our financiers. Mr. White has had his share. Never has careful business diagnosis been so vitally necessary. Accordingly the securities and financial stability of many of Canada's industrial concerns, public utilities and municipalities have been the subject of his careful analysis. It is said of him that he has one of the quickest minds to size up a corporation sheet and pick out, not only the weak spots, but also the inherent profit possibilities. Perhaps it is this faculty that most appealed to the judgment of those who elected him. It is a faculty which doubtless is largely natural to him, but the hours of hard and varied training which developed this faculty must not be forgotten.

It is so easy to cry "lucky fellow," about the man who succeeds that we often overlook the arduous hours of labor and drudgery that went into the climb. Mr. White's appointment is the reward of long experience; work well done and of patient preparation. He has not in any sense of the word been spectacular—this, perhaps, is a point in favor of a bank president. He has never made a "magnificent gesture" in the world of finance and out of it garnered fame and fortune for himself. He has not invented a new patent; discovered a gold mine or cornered wheat. These thrills he leaves to those whose inclinations drive them to the pursuit of sudden wealth. But, on the solid basis of sound economics, maximum safety, trained judgment and sincere work he has hewed out an important and honorable place for himself in the world of affairs and, what is more, has won the respect of all those who have been associated with him.

The new president of the Standard Bank is an example of the old adage with which some other bachelors will, no doubt, agree: "He travels fastest who travels alone." In other words, he is a bachelor. Thus the ranks of the bachelor brigade who head many of Canada's great institutions, have received a recruit. "Mr. Beatty, Mr. Bongard, Mr. Home Smith and others, please move up one space."

CANADA'S PUBLIC DEBT

OTTAWA.—Following is a statement of public debt of Canada at July 31, 1924, as reported by the department of finance, with comparative figures for July 31, 1923:

Funded debt:	July 31, 1923	July 31, 1924
Payable in Canada	$1,935,932,300	$1,896,323,087
Payable in London	336,001,469	336,001,469
Payable in New York	210,933,000	210,932,000
Dominion n'ts	233,805,936	210,304,539
Other liab.	211,540,072	206,086,270
Total gross debt	$2,928,212,777	$2,859,647,365
Total active assets	524,977,167	468,195,685
Total net debt	$2,403,235,609	$2,391,451,680
Total net debt, June 30	2,409,001,572	2,389,912,241
Inc. of debt	....	1,539,438
Dec. of debt	5,765,962	

A Tariff For Canada

Editor, The Financial Post:

Sir: In spite of the quantity without quality that is being broadcast on this subject, may I make a contribution at the risk of it being but an addition to the quantity. To know that it is a protest against it may encourage you to give me space. If only business men would realize that prescribing tariffs has nothing in it for which a business experience alone gives anything but the narrowest training, and farmers that it has nothing to do with agriculture, there would be much less heard from both. It would be interesting to know how many of them are even aware that there is a science called political economy, let alone that some knowledge of it is required, before one can begin to think intelligently on the subject. So many seem to think that because they have an idea of how a particular tariff would affect immediately their own vocation, they are competent to pass upon the whole matter. That such an effect might not be good for the country they don't or won't conceive.

There are two divisions for the consideration of the subject, the first is the theory, and the second is the modification of the theory in practice to the best advantage of the country. Most authorities agree that theoretically world free trade would go far towards approaching the commercial millennium. For the sake of those who require a concrete example to assist their understanding of this, it is only necessary to look to our neighbor to the south, where they will find one hundred and ten million people representing all standards of living, spread over half a continent embracing all climates and probably ninety-five per cent. economically self-sufficient, who have been enjoying within their own boundary absolute free trade for over a century. They have so arranged their tariffs with outside countries that their foreign trade is insignificant as compared with their domestic; in other words, they have taken advantage of the fact that they are almost an economic unit to act as such. One never hears any cry in the States for the protection of the infant industries of one section against the long-established industries of another. Michigan required no protection from the rest of the States to develop its lead in the automobile business, nor to retain it. Let those who are still unable to comprehend try to picture to themselves the commercial condition of the United States, if in addition to shutting themselves off from the rest of the world by tariff walls, they tried to turn the separate states into commerce-tight compartments, shut off from each other by similar means. That country then is an almost perfect demonstration of the correctness of the theory that free trade is common sense and unfree trade is not.

Unfortunately, the theory cannot always be applied, and Canada to-day is a case in point. Economically and geographically we belong to the North American continent. We have elected to pretend that we don't and have built out commercial structure accordingly; not only so, but we have exaggerated our architecture by endeavoring for the last twenty years to imitate the United States, who, I say again, are practically an economic unit, whereas, we are anything but. A country which is nearly economically self-sufficient may isolate itself commercially from the rest of the world and possibly gain thereby, though that has yet to be proven, but any other country attempting it suffers just in the measure of its dependability commercially on others, multiplied by the strenuousness of its efforts at isolation. People who ascend to housetops and scream for "complete" protection, either know not what they talk of or are dishonest with themselves, and the remarks apply with equal truth to the man who makes the same amount of noise in favor of "complete" free trade. The question by this time, has become an intricate problem in political economy, and cannot be solved by ordinary business men, ordinary farmers, or ordinary anybody else, especially ordinary politicians. Something might be done toward its solution by a competent body of men truly representing all interests in the country, not forgetting the consumer. The basis of their solution should be, that consistent with her present economic commitments, Canada should trade freely with those who will. Just how such a body of men is to be got together is a problem for the Canadian people to decide. They have a medium in Ottawa for expressing their wishes which they might use. True, at the moment, it seems to be in pretty bad shape but that is their own fault. Thus we get back to the root of the trouble, which is, that the country is badly governed, rotten tariffs being one of the results, because the so-called intelligent people have not had time to interest themselves in the subject. I suggest then to those who are verbally displaying panic on the tariff question that they expend their energy elsewhere, say, in the interests of public service. I wonder how many of them even bothered to vote at the last election.

Yours faithfully,
M. R. ROSS.

Montreal, Aug. 6, 1924.

N.B.—This was written prior to your issue of August 8, and obviously is not aimed at contributors of the calibre of W. R. Morson and others of the recent series.

Instant Marketability

Instant marketability of securities is frequently one of the most vital requirements of many holders of investments.

In making purchases of securities that may have to be sold promptly, it is well to make sure that they are properly suited to the purpose. Do they adequately measure up to the requirements? Have they a high cash value? Are they well known? Have they an instant marketability in practically every community from coast to coast? Are they subject only to narrow fluctuations, or can quotations be readily obtained?

There are some securities peculiarly suitable for those whose requirements are primarily instant marketability.

Inquiry Invited

A. E. AMES & CO.

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MONTREAL **53 KING STREET W.** *NEW YORK*
VICTORIA **TORONTO** *CHICAGO*

INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

KIRKLAND LAKE GOLD

Reader, Louisburg.—What are they doing at present on Kirkland Lake Gold Mines? Would be glad to get some data.

Kirkland Lake Gold looks like a long hold. The company is not producing. It is concentrating on development work in an effort to explore its property below the 1,000-ft level. New financing was recently carried out.

LAKESIDE LORRAIN

M. S. W., Toronto.—Can you give me authentic information about Lakeside Lorrain?

Lakeside Lorraine has a property that is well regarded in the Lorrain camp. They seem unable, however, to make progress with their financing and while there have been no changes in the fortunes of the proposition of late, that are known to the public, market indications, with the shares breaking down to 7 cents are that things are not going well. The treasury has never been strong and little progress has been made with the development program.

CONSOLIDATED WEST DOME

Easterner.—I have been told on numerous occasions that C. W. D. Lake mill was about to start. I have never seen a statement of earnings. Is the mill really going?

Consolidated West Dome Lake is supposed to have its mill about ready to run. It is understood that the company has a fair tonnage of good ore ready. It will be a month or six weeks after the mill gets running before a definite idea of where the mill operations are going to land the company can be arrived at.

MARCONI WIRELESS

W. F., Calgary.—What is your opinion of the long pull possibilities of Marconi Wireless Co. of Canada, now selling around 70c. a share? I understand that two new stations, one at Montreal and one at Vancouver, are about to be erected and have an idea that a few hundred dollars, I do not particularly need at present, might be well placed as speculation in these shares if held for a year or so.

The arrangement whereby the Marconi Wireless Company of Canada will become part of the Imperial wireless scheme is still indefinite, and makes it difficult to hazard an estimate of the possibilities for the company.

The shares at the present price are a speculation pure and simple, but we would advise you to await more definite word as to what benefit is likely to accrue to the Marconi Wireless of Canada, before putting any substantial sum in the issue.

ARGONAUT

Mine Speculator.—I hold Argonaut shares. Have you any information as to how things look for the concern?

Argonaut shares have been quite weak of late. It is believed the company is making fair progress on its property. There is talk of increasing the mill to 200 tons in six months. At present only 100 tons daily are being handled. Earnings, which have been estimated around $185,000 since the mill started, were put back into development. There is a report of a spectacular gold find on a property the company owns in Rouyn, Que.

TECK-HUGHES

Louisburg, Nova Scotia.—Would be glad if you could send any data on Teck-Hughes, also why did the stock move up so suddenly lately?

Teck-Hughes is busy sinking its new shaft which will be carried to 2,000-ft. It is understood that earnings continue at a rate sufficient to take care of these new development plans and other costs and allowing a fair margin to be added to surplus. This is believed to be above $600,000 now and may mean that the company will not have to issue new shares for the financing of the new mill which it will erect. On the other hand there have been rumors that an option on these new shares has been given and that this was behind the recent rise in the price of the shares to above $1.30. The capitalization is $5,000,000 with about $4,500,000 issued.

NIGHT HAWK

Marconi Inquirer.—What progress are they making with Night Hawk Peninsular Mines? I bought a lot of the stock around $1 and see it is much below that now.

Night Hawk Peninsular has been a disappointment to many. The values have not stood up to the reports of the ore bodies as first made public. Besides there has been considerable extravagance in the handling of the proposition. The erection of a mill was premature. However, under new management, the company is working around well. It is understood that the mill tonnage has been materially increased and that the recovery now is more than sufficient to take care of current expenses. It will take some time for Night Hawk to work out. In the end it will likely prove a large low grade proposition.

HOLLINGER-NIPISSING

Subscriber.—I have been buying shares of Hollinger and Nipissing. How do you look up these two mines from an investment?

Hollinger earnings are now over $1,000,000 monthly and a year from now will likely be around the $2,000,000 mark. Dividends, at present, are 13 per cent. or 65 cents per share. The stock is high for such a return, but at such a level the market is discounting in part, a probable increase in the dividend. President Timmins stated that when the company's extension plans were taken care of and also the power question, a dividend increase would be considered. The tonnage of the mill at present is around 5,000 tons and new equipment to bring the mill to 8,000 tons is being installed and will likely be ready to handle that amount about the time the company's power plant is finished. The mine is really ready to-day to provide that tonnage while ore reserves are believed to stand around $70,000,000 and are being steadily increased.

Nipissing is now paying 18 per cent., 12 per cent. with a bonus of 6 per cent. annually on a par value of $5. This gives a fair return. The production of the old Cobalt properties is being maintained in a remarkable manner. Production will continue for years from this property, but on a gradually reduced scale. The company has acquired a property in S. Lorrain which it is prospecting. It recently gave up a property optioned in Rouyn, Que. The cash position of the company is strong.

GREAT NORTHERN POWER

J. K., Maritimes.—I hold Great Northern 7 per cent. bonds. What are they worth?

Great Northern Power is supplying power to the Matachewan mining camp and some of the operations in Porcupine. Earnings are sufficient to take care of the bond interest and when the company can find a market for another 1,000 h.p. there should be something for the common shares. There are $850,000 in bonds issued. Standing ahead of the common shares are the bonds and a loan which the company secured when they found that they had underestimated their financial needs in the launching of their project. The bonds do not enjoy a wide market. When first sold they were offered at 95 with a bonus of 50 per cent. of common. Later the price was moved up to 97 and now par is being asked.

DURANT EXCHANGE

Nova Scotian.—I have a block of Durant exchangeable into the U. S. Co. Will you be good enough to give me advice on the "swap"?

The price of your Durant of Canada shares are now being regulated by the market price of the shares of the parent company, Durant of Delaware, into which they are exchangeable. The whole future of your holdings will therefore be wrapped up in the success of the U. S. company rather than in the progress which will be made in Canada. Class A is exchangeable 3 shares of old for one new; Class B, 2½ for one and Class C, 2 for one. Since the parent company made a material increase in its capital some time ago to take care of this exchange and some other amalgamations, the stock of the company has been weak and as the time approached for the exchange to become operative, the Canadian shares also weakened. You will have to size your proposition up from that of the future of the automotive industry. The indications are that competition, especially for medium and low priced cars is going to be very keen and profits as a result are bound to be close.

CANADA GOLD

Banker, Winnipeg.—Would you advise an investment in Canada Gold Syndicate? Are the men capable and trustworthy or is it merely a wildcat scheme?

Canada Gold Syndicate has quite a pretentious program of mining development in hand and has secured by staking, purchase and option numerous mining properties. The promotions have been doing their financing by selling in small blocks. This is an admirable method to get a wide distribution of the stock, but is costly.

However, the officers of the company state that they are now working on the details of a deal with U. S. capital to finance them. If this goes through the company should be in a much better position. Certainly the selling methods of the past have been so costly as to make success difficult. Recently the company acquired the old Grace mine in Michipocoten. This property is well regarded and with modern mining methods should be a success. The company has good engineering advice and the officers are men of substance.

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REPLIES TO THE GLOBE

Ottawa, August 18, 1924.

Editor, FINANCIAL POST,
Toronto.

Sir,—For your information I enclose copy of letter which I have this date written to the Toronto Globe relative to an article of that paper reproduced in your issue of the 15th instant.

Yours very truly,
L. L. Bolton,
Acting Deuty Minister.

Ottawa, August 18, 1924.

Editor, The Toronto Globe, Toronto.

Sir,—In the issue of THE FINANCIAL POST of the 15th instant on page 11 there is an item designated from an extract of the Toronto Globe bearing the title "Lack of Information" which reads as follows:

"The Canadian delegates to the World Power Conference are reported to have agreed that there were no processes for utilizing peat, depending upon mechanical pressing and artificial drying, that would prove economical for many generations. Yet those were the processes on which the Dominion government spent a large amount of money at Alfred, Ont."

As the date of the issue of your paper in which the article appeared is not given I can not conveniently check up the POST'S item with the original. The statement of the last sentence in the article as quoted is so manifestly incorrect that I can not let the occasion pass without drawing to your attention its inaccuracy.

The work done at Alfred, Ont., since 1918 was done jointly by the Dominion government and the government of the Province of Ontario, and as a matter of fact, the joint peat committee which carried on the work did not utilize a process depending upon mechanical pressing and artificial drying; instead they decided that the "air-dried-machine-peat process was the only one that could in any sense be termed economic" and the process mentioned was the one actually tried out. I am enclosing a publication of the mines branch of this department entitled "Facts About Peat," at page 10 of which you will find a record of the activities of the Dominion government in the matter of peat investigations and in which at page 17 seq. 4, there is information about the mechanical processes which the peat committee did not utilize.

If the quotation at the beginning of this letter attributed to the Globe is correct I trust that you may take steps to correct the inaccuracy of the information given to the public, for it would be unfortunate to have such erroneous information spread among the clientele which reads your paper.

Yours sincerely,
L. L. Bolton,
Acting Deputy Minister.

Narrow Equity Attractive In A Business Man's Investment

By H. R. JACKMAN, LL.B.

The phenomenal rise in the stock of the American Waterworks and Electric Co. from 4, in 1921, to 117, in July of this year, gives point to the important feature of a narrow equity, which the financial structure of some companies presents. These include such Canadian companies as Sales Book and Goodyear Tire.

American Waterworks is a $200,000,000 property, having an equity represented by $20,000,000 of stock, or, after having borrowed or placed fixed rate securities on the property up to 90 per cent. of its value, the remaining 10 per cent. is the equity to which any profits there are, over and above an amount sufficient to satisfy the requirements of the fixed rate securities, will accure, and whose loss is limited by its own cost. Assuming a 6 per cent. average interest and dividend requirement on senior obligations, earning power of 6 per cent. on property value will yield 6 per cent. on total capitalization. An increase in earning power to 7 per cent. will enure wholly to the benefit of the equity holders, increasing their balance to 16 per cent. A further slight increase to 8 per cent. on property value will increase the balance applicable to the equity to 26 per cent. And so we find that a 10 per cent. yield on property value leaves a balance applicable to the equity of 46 per cent.

A narrow equity is not often found. Ordinarily the financial structure of a company varies but little between equal amounts of fixed rate securities, represented by bonds, debentures and preferred stock, and non-fixed securities, represented by common stock and participating or convertible preferred issues. Rarely does one find an equity the par value of which is less than one third in amount of the total securities issued by the company. But here, as elsewhere, par value is best disregarded, except for possible dividend action, and the number of shares constituting the equity and the relation of their selling price to the earning power of the company are the vital considerations.

A second element essential to the success of a share in a narrow equity is the present and prospective earnings of the company. In the American Waterworks illustration, earnings in 1921, when the stock sold around 4, were $3.68 per share of the equity, in 1922, $6.62, and in 1923, $13.69. If the narrow equity is to prosper the company must prosper, but because the equity is a narrow one the company's prosperity is multiplied by the ratio of the equity to the other capital obligations in order to determine the prosperity of that equity, which in the case of the American Waterworks was ten times the income on the property value after the requirements of the fixed rate securities had been met. The earnings applicable to the equity must be increasing, but once their increase is safely forecast the equity begins to capitalize them, doubling itself many times over.

It is not necessary to go so far afield for profitable illustrations of a narrow equity. American Sales Book common sold on the Toronto Exchange, in 1921, at $5 a share, yet the earnings for the year, 1920, applicable to the common stock amounted to $5.75 a share. In 1921 earnings were .90 a share, and in 1922, $4.40 a share. In 1923, the stock reached a high of 47. Leaving aside for the purpose of simplification a small bond issue, the American Sales Book Company has $3,073,300, 7 per cent. cumulative preferred stock, and only $614,000 common stock, a ratio of 5 to 1; or, taking the 1921 market value of the equity, a ratio of 20 to 1. Once the company earns the 7 per cent. dividend required on the preferred, an increase of 1 per cent. in the earning power is equivalent to 5 per cent. on the par value of the common, or 20 per cent. on the 1921 market value. Thus an earning power of 10 per cent. spells a possible return of 60 per cent. on the 1921 market investment.

Another Canadian illustration of a narrow equity is that of Goodyear Tire and Rubber Company. The ratio of securities bearing a fixed rate to those constituting the equity is 15 to 1. When the earnings are sufficient to pay 1 per cent. more than is required on the fixed rate securities, the result is to make earnings to the amount of 15 per cent. applicable to the common at its present par value. Reorganizations appear to be a fruitful field in the search for companies having a narrow equity.

Given first an attractive ratio, either through capital structure or market value; secondly, faith in the continuance of increasing earnings over and above the amount required on fixed rate securities, then the potentialities inherent in the equity will manifest themselves in a capitalization of the earnings applicable to that equity.

The narrow equity affords a cheap and non-obligation assuming method of sharing in the growth of industry, and must in many cases, with its speculative possibilities, offer a better business man's investment than the senior securities of the same company.

Current Opinion

AN UNPROFITABLE EXPERIMENT

(Grain Trade News)

Hon. Mr. Motherwell is quoted as stating that it is not possible to force a reduction in ocean cattle rates by using vessels of the Canadian Government Mercantile Marine. He says that the 5 vessels of that marine fitted up for cattle carrying are together only equal to one good sized cattle carrier. It is taking a long time to make people realize that to put on the ocean a few government vessels, the deficit of which would be borne by taxpayers, cannot force general freight rates below an economic level for the majority of the tonnage. A few cargoes may be moved at cheap rates, but if higher freights must be paid on the rest then the prices paid to producers will tend to be based upon these higher rates and not upon the lower, because no one buying cattle, wheat, or anything else from the farmer, can be certain at the time of purchase that he will be able to catch a cheaper vessel with that particular lot. The benefit of a few cheaper vessels is apt to be confined to a few individuals. Canada and certain other countries have been wasting large sums of money learning by experience what should have been clear from the beginning.

A PARLIAMENTARY NECESSITY

(Ottawa Journal)

From the press of the entire country comes protest against what occurred toward the end of the Parliamentary session. The usual all-night sittings, when wearied legislators passed important bills and voted estimates for tens of millions with scarcely a nod; the blockade of government legislation in the session's dying days; the consequent incapacity to give vital measures necessary scrutiny—all this is assailed, and the question asked as to how to prevent its recturrence.

In The Journal's judgment there are but two remedies: (1) The government must be prepared to bring on its legislative programme earlier in the session; and (2) a measure of closure must be applied to the consideration of bills. It would be a mistake, we think, to apply closure to free debate in cases like the reply to the address on the discussion upon the budget. These ought to remain unhampered as the safety valves for the escape of steam, as a concession to a country of vast geographical dimensions, and with more or less divergent interests in its various units. But apart from the budget and the debate on the address it is practically certain that greater efficiency would result, and many of the existing evils be remedied, by a reasonable application of closure.

WHERE'S THE ADVANTAGE

(Hardware and Metal)

The public owned Hydro enterprise of Ontario, which has cost the province many millions of dollars, has recently put into operation further units of the big new power production plant at Chippawa, designed to still further lower the rates for power in the province. The Hydro aim since the Provincial Commission commenced, has always been said to be the supplying of power at cost. In view of this situation it is significant that a strong effort has recently been made in many municipalities to increase power rates. Local commissions which were ordinarily considered to be empowered to handle the question of rates, have been as much as told that the provincial commission is dictating the matter.

The considerable increase which has taken place in rates in many municipalities is having a very damaging effect. Farmers in municipalities surrounding Peterborough, Ont., for instance, who have been patrons of the Hydro Electric for the past twelve years are now being forced to pay rates which practically double the former charge. Where they formerly paid a flat rate of $35 for one horse-power, $60 for two and $75 for three horsepower, without a service charge, the flat rate is now abolished and the meter system substituted. This brings a much higher rate and a 20-year contract, which is the equivalent of a first mortgage on the farm.

It is unfortunate if the latter means have to be adopted at this stage. Practically everyone is aware of the advantages of electricity, but if the provincial organization is now to be put upon a highly profitable basis, such methods will do little to encourage the widest use of electricity. Some farmers in the district referred to are already said to be considering a reversion to the old system of lighting. Such backward steps are unnecessary if power is supplied "at cost," and no attempt made to exploit highly profitable power markets abroad. Canadians have stood the cost of constructing the Hydro power enterprise and they should get the benefit of the advantage accruing.

ONLY TRUE IN PART

(St. John, N.B. Telegraph-Journal)

A correspondent of THE FINANCIAL POST writing from Woodstock in this province, puts forward the idea that the Maritimes would benefit by an embargo on the export of pulpwood. But in so doing he makes some remarkable statements which are not borne out by the facts. It is well enough to say that the exodus from the Maritimes has been alarming, but the correspondent goes on to say that it continues alarming and has "in the course of the last few years attained a numerical volume never before imagined possible." Few will agree, as the Woodstock correspondent says, that "from every rural community the bulk of the Maritimes' most energetic and ambitious young Canadian have been going to the U. S. to work"; or to the sweeping statement, "there is no work at home."

It is not well, however, for any of us, no matter how depressed we may be because some of our restless, enterprising young men and women go to the United States, to spread the untrue story that "there is no work here." There is work in the Maritimes, plenty of work. The character of the labor may not suit some of us, for there are people who do not like the hard work and long hours that belong to farm employment. Our fore-fathers did not think that the time between sunrise and sunset was long enough, but they found their pleasure in work. To-day, too, many of us are seeking soft jobs; we hate to put our hand to any plow that requires real attention and direction. Strangers are coming in, not fearing work, with no time schedule and are reaping the reward. Look at the business streets of any city or town in this province and the strangers can be located every time; they work early and late no matter whether they are digging ditches or selling merchandise, they are not growling about hard times, but to use an old phase "just sawing wood and piling it up." Sometimes we call them aliens, and maybe they are, but they are not drones and are taking the places of many who loved ease more than they did work.

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UNLISTED BONDS

(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	95¼	96
Alabama 5% 1962	80½	81¼
Ames Holden 6% 1947	..	42
Belding 5% 1936	86	..
Belgo Can. Paper 6% 1943	95¼	95⅝
Brompton 8% 1941	108	110
Burns, P. & Co. 6½% 1943	98	100
Can. National Rly. 5% 1954	100	100⅜
Calgary Brewing 5% 1942	78	..
Can. Steamship Lines 7% 1942	95¾	96¼
Can. Light & Power 5% 1949	81	82
Consumers Glass 6% 1935	85½	88
Can. Steel Foundries 6% 1936	98¼	..
Dom. Iron 5% 1939	..	65¼
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	102¼	..
East Koot. Power 7% 1942	100½	102
Fraser Co. 8% 1941	105¼	105¾
Frontenac Brewery 6% 1951	..	88
G.T.P. 4% 1955	72½	..
G.T.P. Sup. 4% 1955	73	..
Holt, Renfrew 5% 1937	..	96
H. Smith Paper 7% 1941	96	96
Lake Sup. Paper 6% 1941	105	..
Laurentide Pow	97¼	98⅜
Laurentian Power 6% 1936	95	96
Maple Leaf Milling 6½% 1943	101	..
Maisonneuve 5% 1954	98¼	99¼
Man. Power 7% 1941	99¼	100¼
Mattagami	25	35
Montreal Pub. Ser. 5% 1942	86¾	87½
Montreal Steel Works 6% 1940	99	..
Province of Ontario 5% 1948	100⅜	100¼
Nor. Ont. Power 6% 1931	93¾	95
Ontario Pulp 6% 1931	105	..
Price Bros.	98⅜	99¼
Paton Mfg. Co. 6% 1953	93	..
Porto Rico Rly. 5% 1962	61½	64
Shaw. Cotton 6% 1949	..	78
Shawinigan 5½% 1950	101⅜	112½
Shawinigan 6% 1950	..	105¼
South Canada Power 6% 1949	101	101½
Spanish River 8% 1941	106½	..
St. Maurice Power 6½% 1953	104⅜	105⅜
Wabasso Cotton 7% 1942	..	93½
Windsor Hotel 6½% 1943	100¼	101½
West. Koot. Power 6% 1943	100	..
West. Power 5% 1949	90½	..
West. Power 7% 1926 debs.	98	..
Quebec Power 6% 1953	98¾	99½
N.S. Steel 6% debs	..	50

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News and Views of Bond Market

NEW YORK BUYING CONTINUES OVER HOLIDAY SEASON

Means Active Market Here—Interest in Ontario Issue

This week has seen an activity in bond circles which has not been in keeping with the expectations for the vacation season. Staffs at the investment houses are depleted because of the holiday schedules, and this has made it a rather busy time for those who are looking after things. New York seems to be largely responsible for the situation. The Wall Street Journal reports that precedents have gone by the board in regard to August dullness in the bond market, the demand continuing active. It is a sellers' market, and the inquiry for bonds has resulted in inquiries in Canada, and considerable trading activity as between investment houses has ensued. In Canadian investment circles there has been less interest. There is a comparatively active demand for the season, but investors and particularly the institutional buyers, are resisting the upward price trend when it reduces the return below 5 per cent.

There have been during the week a considerable number of smaller municipal issues for which keen bidding has continued, and prices have been strong. However, interest has largely centred in the $20,000,000 province of Ontario issue. The rate is 4½ per cent. for a 20-year term. This will be the first provincial issue on a 4½ per cent. rate since the war, with the exception of a short term loan recently negotiated by British Columbia. The last time this rate appeared on an Ontario provincial bond coupon was in 1915. In 1911 it was 4 per cent., and in 1907 3½ per cent., but since the war the rate has remained around 5½ to 6 per cent. The interest on this Ontario issue is payable in either Canada, New York, or London, and, with the recent improvement in sterling, some interest in the English market is anticipated. Canadian bond houses bid on the issue but it was generally anticipated that the New York bids would be more favorable, although, with the close association between many of the Canadian and American houses, a portion of the issue is likely to come to this market in the selling campaign.

Developments regarding the forthcoming federal financing are being awaited with interest, but there is nothing particularly new in the gossip. The strength of sterling is being followed with interest as reflecting the possibility of London figuring in a three-cornered issue with New York and the home market.

The relatively large list of municipal issues has included Kitchener and Scarboro among the more important. In the case of Kitchener the keen bidding is indicated by the fact that there are ten bids within a margin of one point, while for the Scarboro issue the tenders were almost as close.

Mortgages Securing Bonds Are Better

There has been a great improvement in mortgage securing bond issues within the last ten years. The experience of corporations or bondholders desiring to do certain things, which were perfectly reasonable but which were found impossible under old mortgages, has caused the insertion of clauses and stipulations in new mortgages, which make them much more flexible and at the same time do not substantially affect the interests of the bondholders. This is especially true as to the release of properties, the convening of meetings, the taking of action by bondholders, the operation of sinking funds, and the redemption and the issue of securities. Also under the latest form of mortgage a corporation has power to issue bonds maturing in any year deemed advisable and bearing such rate of interest as the market demands, which is very important in the case of a company doing financing extending over some years. It is recommended that members of this association contemplating corporation financing familiarize themselves with the latest forms of mortgages, so as to give their clients the benefit of latter-day practice, said W. S. Hodgins, addressing the Bond Dealers recently.

QUOTATIONS ON FOREIGN BONDS

British National War Loan 5%, 1927	$95½ - 98½
British National War Loan 5%, 1929	94 - 96½
British funding 4%, 1960-1990	79 - 82
French Internal 4s, 1917	30 - 34
French Victory 5s, 1920	38 - 43
French Premium 5s, 1920	46 - 48
German Govt. 5%*	1400-1500
German Govt. 4/5 Enforced Loan of 1922*	55 - 75
Prussian Consols 4s	3 - 4½
City of Berlin 4s, 1922*	250 -350
City of Berlin, pre-war issues	10 - 13
City of Hamburg 4½s, 1919*	400 -475
City of Hamburg, pre-war issues	3½- 5
City of Leipsig pre-war issues	7 - 10
City of Munich pre-war issues	8 - 10½
Badische Anniline Co. 4½s	12 - 17
Krupp, Ltd. 5%	2½- 4½
North German Lloyd 4½s	18 - 23
Hamburg American Line 4½s	16 - 22

Quotations: French bonds per thousand francs, British per £20, German per thousand marks.

* is million marks.

No Summer Dullness in New York Bond Circles

NEW YORK.—Market precedents are made to be broken. Old time bond men have become accustomed to look upon the summer months as a time when the most profitable pursuits are tennis, golf and fishing and when week-ends begin on Friday and end on Tuesday. The period from the middle of July to the beginning of September came to be regarded as one when little was to be accomplished by sticking on the job. Not so this summer! The sellers' market in bonds has made one forget that there was ever such a thing as summer dullness. Last summer most bond salesmen were aiming at low scores in golf but this summer they are striving for high scores in bonds.

CARELESSNESS OF SCHOOL TRUSTEES BLAMED FOR LOSS

Bond Gets Into Circulation Without Knowledge of the Board

The urgency of due care in dealing with all matters wherein public funds are concerned, on the part of school boards and similar organizations, is emphasized by an interesting case recently disposed of in the New Brunswick courts.

Some time ago a schoool bond, signed by the chairman and secretary of the school board, was hypothecated to a bank which later sold it to a third party. The first coupon was accepted and paid, but when the second fell due the school board demurred at payment. They held that although the bond had geen signed by the chairman, who had died in the interval, it has not been signed by the former secretary, and they, therefore refused payment. The purchaser of the bond entered suit against the board, and, although the former secretary admitted that the signatures were genuine, he later repudiated his statement and attempted to place the blame upon the deceased chairman. The evidence in the case showed that the board received no value for the bond, and that it was circulated by someone dishonestly, and without any authority from the school board.

While it is evident that there was fraud involved in the case, there was also gross carelessness, according to the decision of the court. In summing up the case, it was stated that the bond was properly filled in and was executed by the chairman of the school board under the corporate seal of the district. It was, however, left lying about the office and finally got into circulation without the receipt of any cash or value by the trustees. The court, therefore, decided in favor of the purchaser of the bond, and the carelessness of someone connected with the school board caused loss to the district of the face value of the bond.

ACADIA APARTMENTS IS BEING FINANCED

Issue of $850,000 of First Mortgage Bonds is Offered to the Public

From Our Own Correspondent.

MONTREAL.—Nothing inspires to success so well as success itself. Some recent successful examples of real estate financing have paved the way for other such issues, and when the Acadia Apartments issue was offered this week by a Montreal syndicate it was taken up by other dealers and investors in gratifying fashion.

The issue, consisting of $850,000 of 6½ per cent. fifteen-year bonds was offered at 98½, giving the purchaser a net yield of 6.65 per cent. The offering syndicate consisted of Royal Securities Corporation, Greenshields and Company and Hanson Brothers.

The Acadia Apartment is being erected by Senator Nathaniel Curry on Sherbrooke Street. It will have an estimated value, land and building of $1,350,000, and will contain 57 suites. A high rental scale is anticipated, enabling an estimate of $172,000 a year income to be made, after allowing ten per cent. for vacancies.

Additional financing to care for the investment in land and building is provided for, and on completion of these arrangements it is understood that $850,000 of first mortgage bonds, $100,000 of general mortgage bonds, and $400,000 of preferred shares will be outstanding, in addition to $200,000 of common stock.

The sinking fund is generous in its provisions, and is on a scale to redeem $453,000 of the issue by maturity. Thomson-Starrett and Company have the construction contract and are already at work on the property.

GOLD INFLATION IS STIMULANT TO BUSINESS IN U.S.

But is Tending to Impede the Economic Revival of Europe

In an article which appeared recently in "Commerce and Finance," Stephen Bell makes the following observations with regard to the effect on the United States, and on the world at large, of the vast reservoir of monetary gold which has found its way into the vaults of United States banks during recent years:

"The federal reserve board has been sedulously guarding us against the natural results of our immense accumulation of gold, which now embraces more than half the monetary gold of the world and has entered the homestretch at the end of which lies the five billion dollar mark—perhaps. Signs appear that the board's power to stave off these results is ending. Financiers and economists dread the prospect, but the business world generally, intent only on on its sufficient-unto-the-day individual interests and proudly inattentive to affairs of general concern, seems to welcome the era of rising prices and increased activity which seems opening with the recent jump in grain and hog prices. The belief that this rise will become general is widespread, and is probably well founded

"These vast imports of gold are absorbing all and more of the world's production of the 'yellow devil' and leaving other nations with insufficient gold properly to cover their currencies. The National City Bank of New York is eternally right in insisting that our maintenance of a commercial policy which for the present is attracting to us the world's gold is equivalent to putting a brake on the world's recovering its financial stability.

"It is worth while to look into the history of our gold holdings in the past quarter century or so. On June 30, 1900, according to the report of the director of the mint, our gold coin and bullion amounted to $1,034,439,264, or $13.45 per capita. Fourteen years later, just before the world war broke out, they amounted to $1,812,856,241, or $18.95 per capita. On the corresponding date in the years since then they have been as follows:

1915	$1,973,330,201
1916	2,450,516,328
1917	3,018,964,392
1918	3,075,339,748
1919	3,112,320,547
1920	2,707,866,274
1921	3,294,909,763
1922	3,784,651,712
1923	4,049,553,748
1924	4,490,716,239

"They are at this writing well over the $4,500,000,000 mark, or about $40 per capita, for gold has been coming during July with little or no slackening in its rate. Not all of this increase is imported, of course, for we produce a considerable amount of gold in this country, but by far the larger part of the increase has come from abroad."

Credits are Easy

There is a growing feeling in the United States that the presence of the abnormal supply of gold is inducing a degree of inflation. From the current Business Bulletin of the Cleveland Trust Co. we have the following:

"Gold inflation has begun to appear in the form of credit made available to borrowers in a volume exceeding the current requirements of commerce and industry. Its existence is made manifest by the prevailing abnormally low interest rates. These rates are the direct result of the long continued flow of great quantities of gold to America.

"As a result we have the beginnings of a credit inflation, which has already lifted the prices of bonds, induced active advances in the stock market, become an important factor in stimulating speculation in the grain markets, and an influence in advancing prices in more than a score of the important commodity markets.

"Present indications are that advancing security prices, rising commodity prices, increasing employment, and more active industry will characterize business during the remaining months of the year. Recent price advances have greatly bettered the financial outlook of the farmers.

"This important fact, together with the general optimism which always accompanies advancing security markets, and the speculative opportunities made possible in many lines of business by the present low interest rates, as well as the constructive developments in Europe, will probably start the upward tide of business flowing."

VICE PRESIDENT I. B. A.

The thirteenth annual convention of the Investment Bankers' Association will be held at the Hotel Cleveland in Cleveland, September 22, 23 and 24. J. A. Fraser, Dominion Securities Corporation, Toronto, has been nominated as one of the vice-presidents on the regular ticket to be submitted by the board of governors as a nominating committee.

U. S. gasoline jobbers now total about 5,000, against less than 1,500 only a few years ago.

BOND MOVEMENTS OF THE WEEK

WEEK ENDING AUGUST 19

BONDS	Int. Rate	Due Year	Yield	Range 1923		Range 1924		Latest Price			
				High	Low	High	Low	Ask	Bid	High	Low
Can. S.S. deb.	5	1943	7.54	21¾	75	79	70½	75	74	74⅜	—
Montreal Power	4½	1932	4.92	95	—	97⅜	92	—	95¾	97¼	—
Montreal Tram.	5	1941	5.50	95⅜	87½	94¾	91	94½	93	94¾	—
N.S. Steel	5	1959	6.76	92	84⅜	84½	77	—	76½	76½	—
Ogilvie	6	1932	5.45	102½	101	104	101½	—	103½	103½	—
Quebec Rly.	5	1939	6.13	83½	68	89¼	80	89½	89	89¼	88¾
Sherwin-Williams	6	1941	6.00	102½	101	102¼	101	—	100⅛	100	—
Wayagamack	6	1951	8.22	86¾	75	103	74¾	—	76¼	76¼	76
War Loan	5	1925	4.48	100.95	99.10	101.15	100.60	101.00	100.80	100.75	100.60
Do.	5	1931	5.00	181.80	99.80	101.90	100.15	101.50	101.25	100.25	100.15
Do.	5	1937	4.74	103.30	102.00	103.30	102.10	103.00	102.90	102.90	102.70
Victory Loan	5½	1924	3.97	106.65	99.80	100.95	100.05	100.25	100.15	100.95	100.15
Do.	5½	1927	4.41	103.50	101.00	105.10	102.15	102.90	102.70	105.10	152.50
Do.	5½	1933	4.94	106.70	104.15	106.65	103.10	105.35	105.15	105.15	103.10
Do.	5½	1934	5.05	103.90	101.30	103.60	103.00	103.40	103.35	103.50	103.30
Do.	5½	1937	4.77	108.45	105.25	108.17	102.65	107.75	107.60	107.75	107.25
Do. Renewal	5½	1927	4.77	102.80	100.75	102.90	101.00	101.90	101.65	102.90	101.50
Do.	5½	1932	5.04	103.15	100.80	103.50	101.30	103.15	102.95	103.50	102.70
Do. Refunding	5	1928	5.00	99.70	98.83	100.50	99.20	100.25	100.15	100.25	100.00
Do.	5	1943	4.87	99.25	97.90	102.00	99.90	101.70	101.45	102.00	101.50

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The Week's Bond Sales

KITCHENER BOND SALE

A block of Kitchener Ont. debentures, totalling $446,770.73 has been sold to Wood, Gundy & Co. at 101.179. The issue is made up as follows:

Amt.	Rate	Term	Date
170,991.77	5½%	10 yr.	Nov. 1923
36,572.21	5½%	15 yr.	Nov. 1923
62,206.75	5½%	20 yr.	Nov. 1923
132,000.00	5½%	20 yr.	June 1924
45,000.00	5	30 yr.	June 1924

The bids:—

Wood, Gundy & Co.	101.179
Dominion Securities Corp.	100.913
Gardner, Clarke & Co.	100.667
Cochrane, Hay & Co.	100.653
Matthews & Co., & R. A. Daly & Co.	100.577
C. H. Burgess & Co	100.54
Dominion Bank	100.53
Bell, Gouinlock & Co.	100.45
McDonagh, Somers & Co.	100.411
A. E. Ames & Co.	100.31

SCARBORO TWP. BONDS

Dominion Securities Corp. with a bid of 101,839 were successful in securing Township of Scarboro block of $308,000 in bonds. They are of 5, 10 and 20 installment . 5½ per cents. $217,758 for 20 years; $79,000 for 10 years and $11,000 for 5 years. The tenders:—

Dominion Securities Corp.	101.839
A. E. Ames & Co.	101.71
Wood, Gundy & Co.	101.347
R. A. Daly & Co.	101.277
McLeod, Young, Weir & Co.	101.18
Matthews & Co.	101.16
C. H. Burgess & Co.	100.61

RIVIERE DU LOUP, QUE.

L. G. Beaubien & Co., Montreal, were successful tenderers for an issue of $40,000, 5½ per cent. 20 installment bonds of Riviere du Loup, Que. The price was 99.44. The tenders:—

L. G. Beaubien & Co.	99.44
Credit Anglo-Francais, Ltd	99.38
Municipal Debentures Corp	99.28
Hamel, McKay & Fugere	99.26
Rene T. Leclerc, Inc.	99.13
Bray, Caron & Dube, Ltd.	99.125
Versailles, Vidricaire, Boulais, Ltd.	99.09
Le Pret Municipal, Ltd.	98.47
Dominion Securities Corp.	98.07
Credit Canadien, Ltd.	97.96

MERICKVILLE ISSUE

An issue of $25,000 5½ per cent. 30 year bonds were sold by Merrickville, Ont., to Bird, Harris & Co., at 100.07. The funds are for school purposes. The tenders:—

Bird, Harris & Co.	100.07
Matthews & Co.	99.17
MacKay-MacKay	99.00
C. H. Burgess & Co.	98.82
Housser, Wood & Co.	98.50
Dyment, Anderson & Co.	97.53
W. C. Brent & Co.	95.00

RENFREW TOWN SALE

Town of Renfrew accepted the tender of C. H. Burgess & Co., 100.28 for $10,000 bonds, 5½ per cent., 30 years. The funds are for school purposes. The tenders were:—

C. H. Burgess & Co.	100.28
Dominion Development Corp.	100.18
MacNeill, Graham & Co.	99.27

BEAUPORT PLACES ISSUE

Beauport bonds were sold at 99.30 to Rene T. Leclerc Inc., of Montreal. The issue was $150,000, 5½ per cent. 15 year bonds. The bids were as follows:

Rene T. Leclerc, Inc.	99.30
La Corporation des Obligations Municipales	99.16
Versailles Vidricaire, Boulais	99.05
L. G. Beaubien	98.85
Provincial Securities	98.85
Credit Anglo-Francais	98.64
Bray Dube Caron	97.40

RENFREW COUNTY ISSUE

Gairdner, Clarke & Co. have purchased an issue of $75,000 20 year 6 per cent. debentures of Renfrew County at 107.08. The bids:—

Gairdner Clarke & Co.	107.08
Bain, Snowball & Co.	106.43
C. H. Burgess & Co.	106.18
Bird, Harris & Co.	106.08
Matthews & Co	106.08
McLeod, Young, Weir & Co.	105.47
Cochrane, Hay & Co.	105.25
Wood, Gundy & Co.	105.686
A. E. Ames & Co.	105.13

RIVERSIDE HYDRO ISSUE

Bird, Harris & Co. received the contract for a hydro debenture issue of $15,000 at 94¼. These bonds will be issued at 6 per cent. over a period of 20 years, and are being sold for hydro extension work throughout Riverside, Ont.

CAMPBELLTON, N.B. SALE

Eastern Securities Co., St. John, N.B., were successful bidders for the issue of $50,000 Town of Campbellton, N.B., 5 per cent. bonds, due May 15, 1949, issued for electric light and power account. The price is 95.07.

The bids were:

Eastern Securities	95.07
Johnston & Ward	94.10
McLeod, Young, Weir Co.	93.45
C. H. Burgess & Co.	93.34

SHAWINIGAN SCHOOL ISSUE

The list of complete bids for the issue of $78,000.00, 5½ per cent. bonds, by the School Commission of Shawinigan Falls, Que., which were sold to Messrs. A. E. Ames & Co., at 101.33, follows:—

Wood, Gundy & Co.	100.06
Credit Anglo-Francais Limitee	99.572
L. G. Beaubien & Cie. Limitee	99.53
Rene T. Leclerc	99.50
Versailles, Vidricaire & Boulais	99.35
La Corporation des Obigations Municipales	99.[illegible]
Credit Canadien	98.32

PARISH OF ST. AMBROISE

Versailles, Vidricaire, Boulais, Ltee. were successful bidders for an issue of $200,000, 5½ per cent., 40-year instalment bonds of the Parish of Ste. Ambroise, Que., at 98.75.

SAINT LAMBERT, QUE.

Royal Securities Corp., with a bid of 101.847 was awarded an issue of $150,000 St. Lambert P.Q. bonds. The issue is 5½ per cent. due in 1952. The tenders:—

Royal Securities Corp.	101.847
A. E. Ames & Wood Gundy & Co.	100.15
Rene T. Leclerc	99.75
Municipal Debenture Corp.	99.37
Versailles, Vidricaire & Boulais, Ltd.	99.27
E. Sevard	99.02
Credit Canadiene	99.01

STE. THERESE SCHOOL BONDS

L. G. Beaubien & Co. were awarded the issue of $132,000, 5½ per cent., 25-year instalment bonds of the R. C. school of Ste. Therese, Que., at 99.79. The tenders were:

L. G. Beaubien & Co.	99.79
Rene T. Leclerc, Inc.	99.75
A. E. Ames & Co.	99.57
Bray, Caron, Dube	99.43
Versailles, Vidricaire, Boulais Ltee.	99.35
Credit Canadien, Inc.	99.27
Municipal Debentures Corp.	99.25
Ernest Savard	99.29
Dominion Securities Corp.	99.07

SASKATCHEWAN SALES

Saskatchewan debentures reported sold in week ending Aug. 7, and approved by the Local Government Board:—

Cardiff, S. D. No. 3111 1700, 10 yrs., 6½ per cent., Waterman-Waterbury Mfg. Co.

Camp Lake, S.D. No. 4342, 700, 10 yrs., 7½ per cent., Waterman-Waterbury Mfg. Co.

Terpenia S.D. No. 4563, 3000, 15 yrs., 6¾ per cent., Regina Brokerage & Inv. Co.

Manitou Lake, R.T. Co, 2600, 15 yrs, 6⅝ per cent, Regina Brokerage and Inv. Company.

Flint S. D. No. 4467, 3000, 15 yrs., 6½ per cent., C. C. Cross & Co., Regina.

Village of Lashburn, 2400, 15 yrs, 7 per cent., J. Moore, Lashburn.

Tenders and By-laws

Aug. 27, Hawkesbury, Ont.—$18,561.78, 6 per cent., 20-instalment bonds. J. O. Bertrand, clerk-treasurer.

Aug. 30, Sydney, N.S.—$262,000, 5½ per cent., 20 and 30-year bonds J. J. Curry, clerk.

Sept. 2, N. Vancouver.—$41,000, 5½ per cent., 20 and 30-year bonds. R. F. Archibald, clerk.

Aug. 28, Oshawa, Ont.—$304,897.40, 5 per cent., 20-instalment bonds. P. A. Blackburn, city treasurer. See adv., page 16.

Sept. 2, Orillia.—$110,000, 5 per cent. C. E. Grant, treasurer.

Sept. 1, Bosanquet Tp.—$21,000, 6 per cent., 10 years. G. Sutherland, clerk, Thedford.

Aug. 22, Province of Ontario.—$20,000,000, 4½ per cent., 20 years. Hon. V. H. Price, treasurer. See adv. page 16.

Aug. 26, Verdun School Municipality. $150,000, 5½ per cent., 40-year bonds. O. Deguise, sec'y-treas.

Aug. 26, St. Jerome, P.Q.—$52,000, 5½ per cent., 30 years. A. P. Laplante, town clerk.

Sept. 2, Senneville Village, P.Q. —$25,000, 5½ per cent., 25-instalment issue. L. J. Boileau, sec'y-treasurer.

HEAVY WOOL ORDERS

It is anticipated that English orders for Canadian wool will exceed 1,000,000 pounds this year, which will be a considerable increase over the business of 1923, which amounted to 700,000 pounds.

Municipal and Provincial Finance

QUEBEC'S SURPLUS AGAIN GOES OVER MILLION DOLLARS

Province Decreased Net Debt During the Past Year

From Our Own Correspondent.

MONTREAL.—Quebec province issued a financial statement this week that struck a distinctly new and pleasing note. Figures of the net debt of the province showed a decline. The gross debt shows considerable increase, but this is largely on account of the issuance of $15,000,000 of debentures to la Banque d'Hochelaga in connection with that bank's acquisition of La Banque Nationale. In determining the net debt of the province, the provincial treasurer, Hon. Jacob Nicol, has seen fit to set up a contra item of similar amount, so that the debentures issued are not shown as affecting the net debt of the province at all.

Gross debt stood at $75,605,226 at June 30 and net debt at $56,638,801. Here are comparisons with 1923:

	1924	1923
Gross debt	$76,605,226	$60,605,226
Less: Sink. fd.	3,408,945	3,966,425
Deferred	15,000,000	....
Net debt	$56,638,801	$57,196,281

Temporary Loan $5,000,000

The province created a temporary loan of $5,000,000 during the year which was still outstanding as a liability at the end of the year in addition to net debt.

Revenues showed excellent improvements in most departments enabling important additions to be made to the expenditures for such purposes as education, roads, etc. Important construction works, involving expenditures of capital account were also undertaken during the year. Good roads; dams on four rivers and one lake, three court houses or annexes, workmen's dwellings; colonization, and the Ile Perrot bridge, all appear under this head.

Ordinary receipts totalled $23,170,733, as compared with $21,634,641 for the year to June 30, 1923. Ordinary expenditure totalled $21,867,293 as against $20,190,275. As revenues showed a smaller advance than expenditures, the surplus for the year declined from $1,444,366 to $1,303,440.

Forests Provide Big Revenue

Quebec's most important source of revenue still remains her forests and lands, and the income in this department was $4,277,004. Liquor licenses brought in $1,305,629, and the commission operating the government liquor stores handed over another $3,000,000. This was about $200,000 in all less than was received from liquor licenses and profits last year. Taxes on estates of $2,977,850; on commercial corporations of $2,322,772, and of $2,153,065 on motor vehicles, were the other large items apart from the Dominion government subsidy of $2,315,643.

Winnipeg's Progress Warrants New Roads

From Our Own Correspondent.

WINNIPEG.—To put Winnipeg on the motor tourists' map by means of providing a first-class highway between this city and Emerson on the international border has been the object of a determined movement in which most of the local commercial organizations have had a part. As a result of the pressure brought to bear, the provincial government have already undertaken to grade the highway during the present year.

It has been clearly established that a large tourist trade has been diverted from this city owing to the fact that the Emerson highway is usually in such bad shape as to keep American motorists from coming north. There is some doubt, however, as to whether, under the present act, the provincial government would be permitted to gravel the highway without the co-operation of the municipalities through which the road runs.

It is a well-recognized fact that summer trade in Winnipeg has suffered as a result of this city not having received the tourist trade which its importance and interest merits, but this is a matter which it is hoped to correct. Leadership in the present movement has been taken by Col. R. H. Webb, manager of the new Marlborough hotel, and formerly manager of the Windsor hotel in Montreal.

$70,000 WASTED

(Saskatoon Phoenix)

The pulpwood commission cost $70,000 and, in its report, made no recommendation on the main question it had to consider, whether the export of pulpwood from Canada should be forbidden or permitted. There is thus little if any dissent from the opinion that the $70,000 was wasted.

Regina Sinking Fund in Favorable Position

According to the annual report of the Sinking Fund Trustees of the city of Regina, for the year ending December 31, 1923, adequate provision has been made by the city, as required by the City Act, for sinking fund purposes and all levies in this respect have been paid in full into the fund, as at December 31, 1922. There is a balance of $55,764 due by the city of Regina on account of the 1923 levy. The total monies received by the Sinking Fund Trustees during the year, from maturing investments and all other sources, amounted to $1,189,505.45, which has been applied as follows:

City of Regina debs. redeemed	$489,753.99
New investments	538,834.53
Accrued int. paid on same	36,868.21
Cash bal. on hand and in bank, December 31	124,048.72
Total	$1,189,505.45

RISING COST OF OUR EDUCATION CAUSE OF ALARM

View Expressed That Municipalities Cannot Carry Growing Burden

After drawing attention to the fact that the funded debt of the four Western provinces had increased from $62,500,000 to $265,000,000 in the last decade, C. J. Yorath, addressing the convention of the Union of Canadian Municipalities last week, made the following comment on the increasing burden of education costs:

The item of expenditure which is causing a great deal of alarm is the increased cost of education, ninety-five per cent. of which has to be provided by the Municipalities with depleting sources of revenue.

The cost in 1901 of elementary and secondary education in Canada, the most part paid by direct taxation ordinarily a levy on real estate, amounted to $11,750,000. In 1913 the cost had grown to $37,658,000, while in 1921 the figure stood at $97,431,000, or to-day approximately $100,000,000.

So far as the Western Provinces are concerned, where it is recognised by the Municipalities that even in spite of the considerable reductions made in the assessed value of property that still further reduction will have to be made, particularly in respect to vacant property, it is impossible, utterly impossible, with the sources of revenue available, to finance even the present cost of education.

No country in Europe can afford our present free system of elementary and high school education, having always adopted the policy that higher education was only for those who were able to assimilate the higher studies and those who were selected for public leadership by outstanding ability, and even for these it was never free.

It is not a question of justifying the cost by showing that the number of pupils has increased and the purchasing power of the dollar has declined, but that with our present system of taxation and the burden of a national service being placed upon property, that it is impossible to finance same.

Unless the Nation comes to the rescue, our entire educational system is bound to fall by the wayside owing to the unbearable expense entailed.

Contrast the school facilities of to-day with twenty-five or thirty years ago and ask yourselves if the finished product is any better now than it was then.

Municipal Notes

WELLAND IN STRONG POSITION

In presenting their annual report recently, the auditors of the City of Welland made the statement that the financial standing of Welland was on a par with that of any other municipality in Canada. According to the report, the total assets of the city were $1,991,528, and the liabilities amounted to $1,419,834. The tax rate for the coming year will be on the basis of 35 mills.

BURLINGTON TAXES NOT LOWERED

At a meeting of the Burlington Council it was decided that there was no possibility of lowering the tax rate this year despite the fact that the assessment has increased. The reasons assigned were the high costs in connection with the schools, and the increase in the county tax rate. Following is a detailed statement of the apportionment of the rate:

	Mills
High school	6.364
Public school	12.005
Local improvement	9.995
County rate	4.374
General expense	14,263
	47.001

TORONTO RAILWAY DECISION LATER

The decision of the Privy Council in the case of the appeal of the Toronto Railway Company against the award made by the arbitrators who fixed the price which the City of Toronto should pay the company at the expiry of the company's franchise in 1921, will not likely be delivered by the Judicial Committee of the Privy Council before October. The award was fixed at $11,118,500.

UNEMPLOYMENT IN MARITIMES HITS MUNICIPALITIES

Sydney Mines Ask Province to Support Numerous Families

From Our Own Correspondent.

SYDNEY.—Sydney Mines town council has formally requested the provincial government to assume responsibility for the feeding and maintenance of the 200 miners, 114 women and 216 children left without support through the closing, several months ago, of the Besco Jubilee colliery. The town states that it is no longer financially able to care for them. The company is endeavoring to find employment for 146 of the Jubilee men in the mines on the south side of the harbor. Numerous families have already reached the limit of their financial resources, as a result of the shut down of the Besco steel plant. Bischoff plant council report they were unable to get anything definite as to when the steel mills will re-open. Officials advised them to counsel the men to go on the harvest excursions, or to the Humbermouth, and take advantage of such other outside employment as may offer from time to time. It is currently reported here that the plant may not re-open until January.

Reds are Active

Reds are taking advantage of the closing down of Besco steel mills and the consequent growing distress among the unemployed to launch vigorous efforts to boom the One Big Union movement. The principal arguments advanced are that the "Bischoff plan" (a plant council elective system) is merely a "company union" and incapable of helping the workers in times of stress, and also that the U. M. W. has lost its usefulness to the miners because its international officers are indifferent to the problems of the men in the Nova Scotia district. The principal agitators held a public meeting in a city park recently. Ben Legere, of Winnipeg, an O. B. U. organizer, called for the merger of miners and steelworkers in one organization. J. B. McLachlan, editor of the Maritime Labor Herald and out on ticket-of-leave from Dorchester, threw down the following challenge to the authorities:

"Do you know what you (the steelworkers) should do? You should go over to-morrow and picket the plant, take out every maintenance man and tell the British Empire Steel Corporation that if they are going to starve you they can look after their own property."

BANK BORROWINGS WHEN LEGITIMATE ARE HEALTHY SIGN

(Continued from page 9)

a business of any size. Collections are none too good at the moment. Be satisfied to accept a reasonable payment on account and confine renewals to short dating. Some of you no doubt have heard the story of the rather resourceful credit man who was making little progress in the collection of one particular butcher account. He decided he would call upon him. As he approached the store he spied the butcher who had seen him first, get inside his refrigerator. His assistant politely received him, told him his employer had just stepped aside somewhere. Would he call again? The credit man said he would sit down and rest a little. Gradually the assistant became more agitated and said his boss must have been detained somewhere but he would see the account was paid that day, without fail. The credit man replied that it was lovely and cool in the store and he did not mind waiting in the least. The butcher could stand it no longer. Out of the refrigerator he came, paid his account and obtained in return the reputation of being the "original frozen credit."

What Bankers Want to Know

In connection with a customer's profit and loss statement several items are important from the bankers' viewpoint. He is interested in knowing whether the net profits are commensurate with the volume of business and the amount of capital employed. The policy of a concern as to making provisions for depreciation, bad debts, etc., is an important index to its actual financial condition as well as to its business policy. Aside from being bad business the policy of paying dividends excepting out of the profits of the current year or out of a comparatively large surplus is considered decidedly derogatory to the credit standing of a concern. A favorable attitude on the part of a concern toward accumulating a surplus to provide additional working capital is considered an indication of favorable conditions for granting credit. If he is disbursing all his profits it shows that he is satisfied to remain dependent on borrowed money for working capital and is not concerned in reducing his interest charges. If profits are all paid out there is nothing to take care of losses when they come along. A number of concerns have been put in bad shape due to a heavy drop in values following this policy.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date	Place	Purpose	Sold To—	Rate	Term	Amount	Price	Yield
			Municipal					
Aug. 14	Beauport, Que		Rene T. Leclerc, Inc.	5½	15	$150,000	99.30	5.57
Aug. 14	Merrickville, Ont.	School	Bird, Harris & Co.	5½	30	25,000	100.07	5.49
Aug. 14	Riviere du Loup, Que.		L. G. Beaubien & Co.	5½	20	40,000	99.44	5.57
Aug. 19	Scarborough Tp.	Impr'm't	Dominion Securities Corp.	5½	5-10-20	308,000	101.839	5.24
Aug. 18	Campbellton, N.B.	Utility	Eastern Securities Co.	5	25	50,000	95.07	....
Aug. 18	Renfrew Co.	Highway	Gairdner, Clarke & Co.	6	20	75,000	107.08	....
Aug. 18	Renfrew Town	School	C. H. Burgess & Co.	5½	30	10,000	100.28	....
Aug. 15	Kitchener	Improvem't	Wood, Gundy & Co.	5-5½	10-30	446,770.73	101.179	5.25
Aug. 18	Saint Lambert		Royal Securities	5½	28	150,000	101.847	....
Aug. 20	St. Terese, Que., School		L. G. Beaubien & Co.	5½%	25	132,000	99.79	....
Aug. 20	St. Ambroise		Versailles, Vidricaire, Boulais, Lte.	5½%	40	200,000	98.75	....
			Corporation					
Aug. 14	National Telephone	Ext.	Royal Securities	6½	15	250,000	99.	6.60
Aug. 14	National Mfg. Co.		H. B. Robinson & Co.	6½	10	250,000	100.	....
Aug. 14	Metropolitan Bldg.		Syndicate	7	20	1,025,000	100.	....

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NEW NORTHERN DIRECTORS

It is announced that Lt.-Col. Walter MacGregor, president of the Ideal Fence and Spring Company, of Windsor, Ontario, and M. G. Campbell, Windsor, have been elected to the board of the Northern Life Assurance Company. The Northern has a substantial volume of business in force in the border cities and it is expected that the new directors will further strengthen the company's organization. The company reports a substantial increase in business this year.

INSURANCE LICENSE

The Norwich Union Fire Insurance Society Limited, has been licensed by the Dominion Department of Insurance to transact tornado insurance, in addition to the classes for which it is already licensed.

Steady Progress is Made By New Maritime Life

From Our Own Correspondent.

HALIFAX.—Business written by the Maritime Life, which was organized a year ago, exceeds $500,000 for its first four months in the field.

The sale of stock also continues on a very satisfactory basis, the total now subscribed for having reached $575,000. Of this amount, $40,000 has recently been placed in Massachusetts, and $85,000 in Bermuda.

NEW LIFE AGENCY

Gerald A. Eubank, who has been manager of the Detroit agency of the Canada Life Assurance Company, has joined with Hugh D. Hart to found the firm of Hart and Eubank. The new firm will have charge of the New York district of the life department of the Aetna Life Insurance Company of Hartford.

BECOMES ASST. ACTUARY

J. A. Campbell, F.A.S., has been appointed assistant actuary of the London Life Insurance Company. Mr. Campbell joined the actuarial department of the London Life in 1913. He served overseas from 1915 to 1919, assuming his duties again on his return. For a considerable time past he has been in charge of the valuation and statistical branch of the actuarial department.

ENORMOUS VOLUME OF INSURANCE IS NOW OUTSTANDING

Day Tells Underwriters of Big Possibilities in Field

Success is achieved only by the simple and direct methods, by honesty of purpose, of faith, persistency and determination, according to Darby A. Day, who addressed the Life Underwriters' Association at its annual convention in Winnipeg, recently. Mr. Day has made an outstanding success in the life insurance field in the United States and is well qualified to speak on the "Simplicity of Success."

He began by outlining in brief the accomplishments of such men as Theodore Roosevelt, James J. Hill, Henry Ford, and John D. Rockefeller. He pointed out the untold benefits to humanity which followed the efforts of these men, and the just rewards which accrued to each of them. In considering their success, Mr. Day said:

"In most instances, particularly in these newer countries of yours and of mine, the conspicuously successful have been men of small beginning, many times of lowly origin, and frequently unlettered and unendowed with academic or scientific education.

"Another outstanding feature in the successes in the lives of most men seems to be the utter disregard of monetary gain. Their compensation seems mostly to be achievement and the glory of winning, the feeling of power, and the sense of their ability to put over and accomplish a great and sometimes seemingly impossible feat."

Insurance Is Simple

The speaker then dwelt at length on success in the life insurance field, as follows:

"With almost no exception, the men who founded the great companies that you and I represent did not live to receive either great glory or great compensation to which they were entitled and those of us who are carrying on to-day, some with more; and others with less success, should bear in mind how really simple our task is. Where and in what line is there greater opportunity? Our field is the world, our client—everybody; the need for us and our wares—unbounded and universal; the law of supply and demand cannot meet, for however great the demand, the supply shall ever be greater; however great the need there can never be a shortage—our crop is always abundant; the price is always standard; our goods are always worth the money. A policy sold to-day cannot be duplicated a year later at the same price on the same life. Procrastination is our only opponent—our competitors are our colaborers—our product is complete when it is handed to us ready for delivery; there is no necessity for bartering, for dickering, for calculating, for figuring, for discrimination. A man who buys a life insurance policy of a given character, of a given type, from a given company, at a given time, and a given age, buys identically that which is offered to and sold to every other man of similar age who applies for a policy of similar type. A salesman, even though disposed to be dishonest cannot be so with his client if the client signs on the dotted line and takes what he gets from the company. The companies supply their agents with sales literature, with data and information, with rates and calculations; they provide means of completing a transaction; they have a department of conservation for keeping the business for them; they keep their books; attend to their records, and keep everlastingly behind them, urging them always onward, forward to greater success. Truly the simplicity of success applies to life insurance as it can apply to no other business. It would indeed be difficult to explain why and how so many men do fail in this work of ours when all on God's green foot-stool that is required of anyone is sincerity, honesty, energy, aggressiveness, faith and a desire to do for his fellow man and their dependents a good turn, and thence we come down again to the question of what this great success that we think of may bring to us.

Recent Big Growth

"First and foremost—the life insurance business is but in its infancy. Considerably less than one hundred years of age; over half of its development having occurred in the last twenty years, and yet, it has perhaps taken first place in the economic values of the world, for, if all of the outstanding insurance of the companies represented here to-day were to be added up, it would be found to be a sum larger than the national debt or even the national reserves of any nation in the world. It would be found to be several times the combined capital of all of the banks of North America; it would be found to be more than the money invested in railroads of Canada and the United States put together; it would be found to be many times combined assets of all of the life insurance companies themselves, which shows the abiding faith of the peoples of our great countries, who accept the scientific certainty that as this great amount of insurance severally matures and falls due, each and every claim will be met.

"It is the one outstanding business that knows no failures. If a company cannot and does not prosper, as has been the case in some instances, its business is promptly re-insured by one of the stronger companies and the interest of the policy-holder conserved.

"There are but few of the many in our business who die rich; there are still fewer, perhaps, who grow rich and retire, and yet, the lowliest and the poorest of us will have done when his work is finished, more than almost any man in any other walk of life comparable to his own, for he will have created estates in great number; estates for the poor; estates for the moderately well-to-do; estates to supplant fortunes lost; sinking funds to meet the requirements of educating the orphan child, of clothing and feeding the widowed woman, of housing and caring for the aged mother, and of providing an income for the indigent and the imbecile, incomes that are beyond touch, incomes that are safe and inalienable and free from attack, and when you, a life insurance salesman, walk through the pearly gates and are asked by the recording angel what good you have done on earth that you may expect to enter there, you may say with just pride that you provided for the widows and the orphans, that you urged the unthinking man to consider, that you created estates where time and fortune would not permit them otherwise to have been created, that the beneficiaries of your work are legion, that even if some of these vastly rich men to whom we have previously referred have builded edifices, libraries, created foundations for research work and left millions of dollars behind them, that your work was even more magnanimous, for the result of your effort was to provide estates where estates were not, incomes where the provider had been called away and that in your opinion, the result of your life work was equal in importance to any."

The convention is being attended by a large number of insurance men from all parts of the country. Many subjects of interest are being discussed, and an extensive social program has been planned.

DISTRIBUTION OF HAIL COMMISSION DECLARED ILLEGAL

Hope For Few Losses in West During 1924

From Our Own Correspondent.

REGINA.—Although the season is not yet advanced enough to make definite statements, the way the hail insurance losses are shaping up, this year will show considerable improvement over last, for the companies interested. Storms have not been so prevalent this season to date, and consequently losses have not been so heavy, with the result that hail insurance companies should show a little profit this year. Fortunately the only severe storms in the three hail insurance provinces of Manitoba, Saskatchewan and Alberta have occurred in some parts of Saskatchewan, the Moose Jaw district suffering, perhaps, to a greater extent than any other. In this territory some sections report a complete loss. Outside of this and one or two other smaller districts, damage from hail this year has been very small in comparison to other years. Rather than suffering from too much rain and hail, the western crops this season have been damaged by a lack of it, and much of the early pessimistic reports emanating from the prairie provinces was due to the bad effect of the drought.

Of course this situation may be altered between now and harvest, but the damage will have to be severe to make an appreciable change and run the losses as heavy as last year and, generally speaking, companies who insure against hail are a bit more optimistic than they were at this time a year ago.

For the guidance of agricultural co-operative associations acting as agents for hail insurance companies, A. E. Fisher, superintendent of insurance for Saskatchewan, states that the distribution of the commissions among those members who took hail insurance through the agency of the association is contrary to the Criminal Code of Canada, by which the returning of a part of the premium (the splitting of commission, or rebating, as it is commonly called) is prohibited. If, on the other hand, the commissions earned by the cooperative association become part and parcel of the general earnings of the association, and a dividend is paid to all members, there is no violation of the Saskatchewan Insurance Act or of the Criminal Code.

EXPLAIN REASONS BACK OF RECENT FIRE RATE JUMP

Norwich Union Sends Out Circular in Regard Fire Loss

An echo of the unwholesome fire insurance situation existing at present is contained in a circular letter issued in Ontario by the Norwich Union Fire Insurance Society. It follows increases in insurance rates on some classes of risks and explains in a measure why these are necessary. The letter reads in part:

You have received notice from the Canadian Fire Underwriters' Association of an increase in rates on a number of classes of risks, and no doubt you will be glad to know why the fire insurance companies have felt it necessary to increase their rates. It is a matter of knowledge not only to insurance men but also to all classes of our community who read the public press, that fire losses in Canada and especially in Ontario have been very heavy in the last few years.

Efforts have been made by the Ontario Fire Prevention Bureau and by various public bodies including the Canadian Manufacturers' Association and the Dominion Fire Prevention Association to arouse the public, but so far apparently without success. The figures of the fire losses in Ontario for the last three years are as follows:

Year	Premiums	Losses	Ratio of Losses to Premiums Written
1921	17,346,769	9,802,157	57 %
1922	17,397,180	12,367,036	71 %
1923	18,348,110	11,855,919	64.6%

It must be borne in mind that the expense ratio of the companies is now 40 per cent. of the premiums, of which 5 per cent. represents taxes to the Dominion and provincial governments, so that in 1922 there was a straight loss of 11 per cent. of the premium income and last year a loss of 7 per cent. upon the premiums. The official figures issued by the fire marshal for Ontario for the first four months of this year and the same period of the preceding three years are as follows:

Year	No. Fires	Loss	Insur. Loss
1921	2,987	3,571,579	2,868,332
1922	3,358	4,733,510	3,825,465
1923	4,227	6,749,449	5,544,340
1924	3,379	5,570,564	4,808,250

The fire insurance companies have been very patient and have been hoping there would be some change in the situation, but as you can see there has been no radical improvement and there have been heavy losses in May and June. The increases have been applied only to those clases upon which the losses have been very heavy, and on those classes the assured have been obtaining their insurance at considerably less than cost and unless a very great change occurs in the loss ratio, the increased rates will be inadequate.

The figures quoted above should convince any reasonable person that the action of the insurance companies is justified and reasonable, and that a property owner should increase the insurance that he has been carrying if his values justify it.

A similar letter distributed among agents in the province of Quebec contains the following information in respect to that province:

Efforts have been made by the Quebec Fire Prevention League and by various other organizations including the Canadian Manufacturers' Association and the Dominion Fire Prevention Association to arouse the public, but so far apparently without success. The figures of the fire losses in Quebec for the last six years of companies reporting to the Dominion government are as follows:

Year	Premiums	Losses	Ratio of Losses to Premiums Written
1918	8,518,899	4,489,018	53 %
1919	9,728,794	4,909,273	51 %
1920	12,460,407	7,124,789	57 %
1921	11,798,646	7,686,139	65 %
1922	12,062,892	9,184,960	76 %
1923	12,611,832	8,726,314	69.2%

The Record of Fire Losses in Canada

Place	Property	Date	Damage	Insurance	Cause
Prince Edward Island					
Orwell Cove	Macdonald barn, crop	Aug. 8	total	.....	lightning
Kensington	nine buildings	Aug. 16	80,000	.....	......
Nova Scotia					
Sydney, C. B.	Rutledge Res.	Aug. 8	light	.....	crossed wires
Sydney, C. B.	McCowan's, Res.	Aug. 8	light	.....	crossed wires
Sydney, C. B.	Lambert's Store	Aug. 8	light	.....	crossed wires
Sydney, C.B.	Smith's Store	Aug. 8	light	.....	crossed wires
Sydney, C.B.	Burchell Co. Store	Aug. 4	1,000	.....	......
Waterford	McNeil Res., owner perished	Aug. 5	......	partial	bush fire
Waterford	Murphy Res.	Aug. 5	......	none	bush fire
Gabarus	Hardy Res. and Barn	Aug. 5	2,000	partial	......
Glace Bay	O'Neill Res. & barn	Aug. 4	3,000	.....	incendiary
Little Bras d'or	Young Res.	Aug. 7	partial	.....	lightning
New Boston	M. A. Macdonall House & barn	Aug. 12	complete	none	......
New Brunswick					
St. John	Whittaker house & barn	Aug. 8	total	.....	lightning
Chatham	Dr. Jones' res. and bldg.	Aug. 8	total	little	......
Buctouche	National Hotel	Aug. 6	30,000	15,000	def'tive wiring
Quebec					
Sherbrooke	Berwick paint shop	Aug. 7	gutted	.....	......
St. Gervais	Charron barn	Aug. 12	2,000	little	......
Montreal	hospital barns	Aug. 16	50,000	.....	....
Valleyfield	Montpetit home (two deaths)	Aug. 16	partial	.....	....
East Angus	M. J. Kerr house	Aug. 13	heavy	.....	defect in chim'y
Chicoutimi	M. A. Dore, house	Aug. 7	3,700	1,200	unknown
St. Elzear	A. Cote, barn	Aug. 11	complete	.....	spon c'mbust'n
Montreal	P. P. Poulin & Co., garage	Aug. 9	......	.....	spark
Manitoba					
Benito	Rizancoff barn	Aug. 8	gutted	small	....
Saskatchewan					
Lemsford	Consolidated School	Aug. 6	10,000	partly	unknown
Moose Jaw	Mt. Royal Apts.	Aug. 8	small	.....	def. wire
Luceland	McConica barn and crop	Aug. 5	heavy	.....	....
Bresaylor	McMurray Res. and $60 cash	Aug. 8	gutted	800	stove
Moose Jaw	Woolworth Bldg. and stock	Aug. 11	130,000	fully	....
Moose Jaw	J. E. Overs Store	Aug. 11	20,000	fully	....
Moose Jaw	J. H. Thompson Drugs	Aug. 11	10,000	fully	....
Moose Jaw	Riley's Poolroom	Aug. 11	15,000	partial	....
Moose Jaw	Robinson McBean's men's fur.	Aug. 11	25,000	fully	...
Moose Jaw	City Barber Shop (Ten persons injured and burned).	Aug. 11	3,000	none	....
Chamberlain	poolroom, post & telephone off'cs.	Aug. 12	15,000	partial	unknown
Saskatoon	Snyder dressmaking shop	Aug. 9	consider'ble	.....	unknown
Tisdale	seven business bldgs.	Aug. 5	50,000	.....	....
Alberta					
Empress	School	Aug. 6	15,000	.....	....
Alderson	Edwards res.	Aug. 10	gutted	partial	....
Hardisky	J. Syverson barn	Aug. 8	total	just expir'd	combust'n
Medicine Hat	Alberta Feed Store	Aug. 8	heavy	covered	combust'n
Edmonton	Northern Seed Co.	Aug. 11	80,000	well-covered	def'ct. wir'g
British Columbia					
Burnaby	Stonoalske res.	Aug. 5	2,500	.....	oilstove
Raymond	Silver Lumber Mill	Aug. 6	150,000	.....	dry kiln
Naiaimo	McConachie	Aug. 8	complete	.....	....
Agassiz	Cameron barn, crop & machinery	Aug. 7	......	.....	....
South Vancouver	B. A. Frowde house	Aug. 7	1,000	covered	....
Port Couitlam	A. L. Dowse house	Aug. 8	complete	.....	unknown
Ontario					
Grimsby Beach	C. Ry. News Concession	Aug. 9	......	.....	....
Grimsby Beach	Wilde Con. $2,000 cash	Aug. 9	gutted	.....	childr'n-match's
Toronto	Kananch Printing Plant	Aug. 9	500	covered	def. wire
York Village	Thorne's barn, and crop	Aug. 9	total	.....	combust'n
Ottawa	Paine residence	Aug. 8	4,000	covered	mice gnawing matches
Forrester's Falls	Reynolds barn, crop & mach.	Aug. 8	total	2,300	unknown
Port Arthur	North Western Elevator Shop, 30,000 bush. grain	Aug. 9	250,000	partial	....
Oshawa	Branton residence.	Aug. 9	small	.....	children
Glenworth	Donahue barn, mach. & crop	Aug. 7	total	.....	lightning
Dresden	Hughes barn	Aug. 9	partial	covered	lightning
Prescott	Raney residence	Aug. 13	heavy	partial	unknown
Sarnia Township	Telford residence	Aug. 12	1,000	200	....
Grimsby	Wilkins' residence	Aug. 7	partial	.....	lightning
Grimsby	Graisley contents of above	Aug. 7	complete	.....	lightning
Beamsville	Kennedy's barn	Aug. 8	2,500	little	....
Hamilton	Coulter Lumber Products	Aug. 14	20,000	covered	unknown
Nassagaweya	parsonage	Aug. 16	total	partial	unknown
Hamilton	S. Galioni, frame house	Aug. 18	heavy	.....	explosion
Warsaw	R. Dean barn	Aug. 16	total	.....	....
Ottawa	Ottawa Mfg. Co., & Model apart's.	Aug. 11	30,000	13,000	incendiary
Southampton	D. Smith dwelling	Aug. 6	200	fully	unknown
Humber Bay	M. Mellatieu dwelling	Aug. 15	500	fully	....
Long Branch	G. Smythe house	Aug. 18	total	some	stove explos'n
Peterboro	Curtis Bros.' barn	Aug. 18	2,000	.....	....
Peterboro	S. Olne house	Aug. 18	3,000	partial	unknown
Kingston	Queen's University	Aug. 18	70,000	35,000	....

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RE-CONSTRUCTION AID

Opinion Expressed That World Power Conference Will Lead to New Era in National Prosperity

The opinion is being freely expressed that the World Power Conference in connection with the British Empire Exhibition is going to work out as one of the most constructive factors in bringing about the long-delayed post-war reconstruction. The British press says it came at a moment when the whole Empire stood in vital need of a united forward step, and also at a time when a number of serious problems faced the industrial world. The chief of these was the universal recognition that the wheels of commerce have become clogged by high production costs and wasteful methods of power utilization and distribution. The power conference is said to have put fresh heart into the industrialists and something like agreement has been secured as to the lines upon which the machinery of commerce may once again be freed for a new era of industrial expansion and development.

In this connection it is being pointed out the there is close analogy between present conditions and those prevailing at the close of the Napoleonic wars. Then, as now, there was a severe industrial slump, serious unemployment, and a monetary crisis, which rendered recovery extremely slow and uncertain. Then came the introduction of the spinning-jenny and the steam engine, and the whole trade, production, and transport of the country were revolutionized. As a result old markets expanded, new ones were opened up, and a long period of national prosperity was ushered in.

Adopt New Methods

To-day the question is asked, whether there is any possibility of new methods and inventions being introduced which will have a similar effect upon industry to that experienced a century ago. A reply to that query has been given by Sir Felix Schuster, who reminds us that every year produces new inventions and methods to such an astonishing extent that our minds can scarcely grasp them. "The nation," he says, "which shows greatest adaptability to turn them to their proper use will lead the way to progress greater, probably, than any shown in the nineteenth century."

Amid so many new methods and inventions which promise to revolutionise modern commercial practice, the ordinary man may be forgiven if he cannot see the wood for the trees, but for the benefit of the pessimist it may be said that the outcome of the deliberations of the world's experts at Wembley is, broadly speaking, the almost unanimous conclusion that the main solution of our most pressing problems lies in the greater use of electrical energy, in its efficient distribution, and in the elimination of power waste.

"After forty-two years of service in the electrical industry," said Mr. Hugo Hurst, at a recent meeting of the General Electric Co., "I feel to-day as if we were at the beginning of things. The whole world, damaged, disfigured, and badly mauled as a result of the war, is waiting for reconstruction, for better means of transport and communication. Electricity alone can supply it. Exactly as steam came to the rescue of the world, and particularly of this country, after the Napoleonic Wars, so I am convinced the electric unit, properly produced and distributed, will save the world from the much greater ordeal through which it has recently passed, and will play a particularly great part in the linking up and development of the British Empire. Nothing could demonstrate the correctness of this view better than the World Power Conference at Wembley. Whenever engineers and scientists assemble to speak of wind power or water power, or the oil or coal resources of the world, they all seem to agree that they can only be put at the service of mankind through the utilization of the electric current."

Leaves Means Unstated

That quotation aptly crystalizes the conclusions of the World's Power Conference, although it leaves unstated the means and methods whereby the proper utilization of electrical energy is to attain such far-reaching effects in relation to Britain's economic recovery.

Strictly speaking, Great Britain is already handicapped in the race towards reconstruction, as its utilization of electrical energy is far behind that of America, of France, Germany, and several other European countries, so that if we are to maintain the position of chief manufacturing centre of the Empire, much leeway has to be made up, says the London Financial News, which adds: Not only are we behind in the use of electrical energy, but in its means of generation and distribution, for in quite small areas private and municipal power stations, both relatively inefficient, compete where they should be combined into larger economic units, while our 600 stations are crowded into the chief manufacturing centres, whereas 100 should suffice to serve the whole country, not only in the industrial districts, but in vast agricultural areas which at present are beyond the means of supply, and which thus constitute virgin soil for the use of electrical energy.

Economically it may be said that the age of steam is passing and that of electricity is dawning. The higher standard of living for labor, the riot of waste in the use of our coal resources, and the greater mechanical efficiency of many competitive manufacturing countries render it imperative that we reduce our cost of production. The only solution lies in the electrification of all our main line railways and of our factories, involving the construction of large generating stations in and near our chief coalfields, and interlinked with smaller stations throughout the country.

REVENUE FALLING, EXPENSES RISING

Unsatisfactory Trend of National Finances Indicated in July Statement

From Our Own Correspondent.

OTTAWA.—The Finance Department's statement of revenue and expenditure for July contains further evidence that revenue is falling and expenditures are rising. The increase in ordinary expenditure during the month was $4,140,489, and the decrease in revenue $3,887,413, as compared with the returns for the same month last year. For the first four months of the fiscal year to July 31, there was a decrease in revenue amounting to $13,458,390, while ordinary expenditure increased by $5,401,142, making the total $18,500,000 less favorable than the showing for the same period in 1923.

This takes only ordinary expenditure into account. If the capital expenditure is also considered, the situation is somewhat changed, though at the same time it may be said that capital expenditure is not heavy these days. During July it was $2,386,322, as compared with $907,085 for the same month last year. For the four months it was $4,938,834, as compared with $2,635,654. Add this to the above and the showing is less favorable by $21,000,000 than it was for the first four months of 1923.

This loss in revenue has been occasioned chiefly through the changes made in the sales tax, which alone are responsible for the whole of the slump in revenue. The decrease in customs collections has been pretty well taken care of through the larger income tax returns. With the exception of a few millions, the latter seem to be pretty well in for the year.

Winnipeg fur auction held this week was marked by brisk bidding, with prices ranging above last year's level.

WOOL GROWING HAS PROMISE OF BEING IMPORTANT TO WEST

Plenty of Room For Expansion of Sheep Raising Industry

GRADES ARE HIGH

Production Last Year Was Materially Higher—Growing Market in U.S. and Great Britain

Canada produced 15,539,416 pounds of wool last year of which about two-thirds or a little better passes into regular trade channels while the balance is worked up by farmers' wives. Government reports, however, show that this annual clip can be materially increased. Many prairie farms with climate and topography for sheep raising, have no sheep at all. On the other hand, numerous eastern and western farmers find that a flock of 10 to 15 ewes can be maintained at little expense and give an excellent return.

Eastern wools are all produced from the domestic breeds of sheep. They are very strong of fibre and bright in character. The bulk of eastern wools grade medium combing and low medium combing, with some fine medium and considerable quantities of low combing and coarse. Eastern domestic wools have excellent felting qualities and are well adapted for the manufacture of medium and heavyweight goods, including serges and tweeds, rugs, blankets, sweaters and underwear.

In Western Canada the percentage of domestic wools is steadily increasing. The amount of range wools should be increased considerably in the next five years. Western domestic wools are of much the same quality as eastern wools.

The sheep industry in Canada made considerable expansion during the war years. There was some decrease during the years 1921, 1922 and 1923, but the good prices which were maintained for lambs and the upward trend in wool prices has again stabilized the industry and the present tendency is to increase rather than decrease the size of flocks.

Grading Has Helped

The nature of the soil and the openness of the country tends to the production of a heavier shrinking wool. Soil drifting also detracts from the brightness of the fleece, and on this account grades of Western wool are subdivided into bright, semi-bright and dark. The bulk of the range wools runs to the fine, fine medium combing and medium combing grades.

Wool grading since 1913 has done much to improve the market qualities of Canadian wool. About twelve thousand sheep raisers now consign their wool for grading and co-operative sale. This constitutes about one-quarter of the sheep raisers. The growers have their own marketing agency, the Canadian Co-operative Wool Growers, Ltd. This organization is an affiliation of some thirty wool growers' associations and handles all the co-operative shipments consigned for government grading.

As a result of grading Canadian wools are now purchased freely on a graded basis in the United States and in Great Britain as well as by Canadian mills. The more general use of pure-bred rams is steadily increasing the percentage of the higher grades, and the wool production should materially increase during the next few years.

Were English Strikes Inspired?

Famous Industrial Authority Discusses Possibility of a Wide-spread Conspiracy in Britain, Fomented From Continent

By LORD ASKWITH

Recent strikes in Britain have been so nonsensical, in the opinion of Lord Askwith—the arbitrator and conciliator in many trade disputes—that he is forced to inquire in an article in the Sunday Times (London), whether they are not the result of a conspiracy. It is significant, he says, that the recent railway troubles and the underground strike occurred when C. T. Cramp, the secretary of the National Union of Railway men, was in Vienna, when the Minister of Labor was preparing to go abroad, when Parliament was not sitting, when holidays were approaching, and when every point of defence, or chance of elucidation of confused issues, seemed to be least available.

If it is a conspiracy, he asks, what is its source of strength? The country is entitled to know and the rank and file of the trade unions should be made aware of the situation.

Mr. Cramp, on the occasion of the underground strike, denounced it as "a fight between order and mob law," and talked of "forces of disruption and corruption," and emphatically stated he would "neither compromise nor bow down to the handful of people who are conducting this wretched business." Either the secretary of the National Union of Railway has lost his temper and is uttering vain and ridiculous statements, says Lord Askwith, or he has published words which no trade union leader, no government, and no member of the public can ignore. Has Mr. Cramp sounded a note of warning that the principle of collective action and bargaining, which is practically an accepted doctrine as the governing factor in the most of our great industries, is in danger?

In a study of the strikes which have taken place during the last few months, there was no difficulty, in Lord Askwith's opinion, which could not have been overcome by reasonable conversation on both sides. Either an inquiry without a strike on the intervention of the Minister of Labor, or an agreed reference to arbitration, should have so brought facts into the light that all, or nearly all the supposed advantages obtained by the strikers would have been reached without stoppage. In regard to one of these chances of avoiding a strike—namely that on an inquiry being ordered by the Minister of Labor—it should be illegal under penalties to proclaim or declare a lock-out or strike before the court of inquiry has had a chance to report.

A bill introduced by Lord Askwith into the House of Lords has passed its third reading, but in the House of Commons the government have refused to give facilities for its discussion. That bill would not cover the whole ground, he says, but it would at least afford a partial remedy, would have stopped some big strikes, and be a warning light that dangerous men should not go too far.

The recent strikes, he says, have brought in other elements beyond the usual philosophic apathy. They have irritated the public, have called forth strong action by labor leaders, such as Mr. Cramp, secretary of the National Union of Railwaymen; they have also called forth an ultimatum from employers, and employees will have to consider the issue—and the issue cannot be confined to one industry. It must be general. A big breach made, and the citadel may well collapse, warns Lord Askwith.

Little or no sign of action has been shown to the public by the government. It is obvious that publication of methods to defeat conspiracy would be worse than folly. If the latest reports of extensive preparations are only one quarter correct, states Lord Askwith, it is time that the nation woke up, and every piece of relevant information should be put at the disposal of the government, and every nerve strained by every man or woman to eradicate the cancer, not with a sense of panic or belief in wild rumors, but with a cool and settled determination.

STATES FEELING ECONOMIC NEED OF EXPORT MARKETS

(Continued from page 1)

below normal. The great textile industries of New England, the metal working industries, the pulp and paper industries, the packing industries, the industries dependent upon the buying power of the farmers, such as the agricultural machinery industry and the fertilizer industry, are still in the "same boat." Built in most cases to supply a market much larger than most of them now appear in a position to command, they are now all suffering and suffering severely, optimists to the contrary notwithstanding. It does not do, as most British students of the situation will tell you, to point to the "boom" of 1922 and 1923, and insist that the present depression in American industry is merely a reaction from the activity in evidence at this time last year.

The activity of 1922 and 1923 was largely the result of an abnormally heavy demand for materials and labor on the part of the construction industries. Building activity was greater in those two years than it ever was in the history of the country. This demand for structural iron of all kinds combined with an unusually heavy demand for railroad equipment of all kinds, not to forget rapid expansion in the oil-producing and refining industries, to create a great demand for iron and steel products, a demand which was reflected by the business not only of the iron and steel companies but of all the thousands of industries dependent upon them.

Demand is Curtailed

But construction now appears to have definitely slackened. The demand for houses in many parts of the United States is satisfied for some years to come. The railroads are in such excellent physical condition, generally speaking, that any marked increase in the present rather moderate demand for railroad equipment appears decidedly unlikely at the moment. The oil industry, so far as the refining end of it is concerned, is certainly overbuilt. Oil production is and will be curtailed, so far as it is possible to curtail it, for some time to come. The textile industries in the face of high cotton and wool prices, and increasing unemployment in the country generally are finding it very difficult to make both ends meet. Dozens of textile plants are closed, and many are working a few days a week only. The paper industry is in a depressed condition. Foreign made paper is coming into the country in increasing volume. A number of big American paper mills are closed and so far as it is possible to tell at the moment will remain closed until business improves.

What is to be done to remedy this situation? If you ask most American bankers to-day that question, they will talk about the Dawes Plan and the recent sharp rise in agricultural commodity prices. When the Dawes plan becomes operative, they will tell you, such a demand for American products of all kinds will be created that the American industrial machine will once again be speeded up to close to capacity. The increase in the buying power of the American farmer will simultaneously increase the buying power of the American domestic market. With an increase in the buying power of both the United States foreign and domestic markets, why worry about the future of American industry?

European Competition

But British students of the American situation are less sanguine. They apparently feel that the American analysis of the immediate future omits a careful consideration of some extremely important details. While they will acknowledge that the Dawes plan will undoubtedly increase the demand in the foreign market for commodities of all kinds and will undoubtedly increase the demand for American capital in European countries, what of the impetus that will be given European manufacturing by a revival overseas? How, they will ask, is America going to increase its exports of manufactured products so long as prices remain where they are to-day? Further, if America hopes to sell its products in Europe, how can it expect Europe to ship goods back to this country in payment so long as the United States insists upon maintaining a high tariff? If high prices and a high tariff have virtually driven American wheat and flour from the world market, why expect that an exception will be found in the case of manufactured products?

British bankers claim to see in recent actions of American statesmen and bankers an acknowledgment of the truth of the point of view implied by these questions. The so-called "isolationists" among politicians and bankers have already, they will tell you, been driven from their trenches and are in full retreat under heavy fire. The Federal Reserve Board has already done almost everything in its power to start the exportation of capital from the United States. It has agreed to place the facilities of the Federal Reserve system at the disposal of foreign countries. German commercial paper suitably endorsed is already eligible for re-discount at Federal Reserve banks.

American capital is already flowing heavily into London, Paris and Berlin. It is even finding its way in large volume into the Canadian money market.

Situation is Realized

American bankers, aided unofficially by members of the American cabinet, have, during recent weeks, been almost literally moving heaven and earth to insure the success of the Dawes plan. The bankers have virtually agreed to lend Germany the vast sum of money she needs to put the plan in operation. Other bankers are already in Europe arranging to place almost equally great lines of credit at the disposition of French and German business men in the event of the Dawes plan becoming operative. Have gone so far, will the United States hesitate for any time to take the other steps which the Britishers regard as the next logical move? The Britishers think not. The situation so far as the United States is concerned is too serious to make hesitation at this point conceivable.

The next steps, as British bankers see the situation, will involve lower prices for most American manufactured products. The tendency will not, however, be for American prices to reach present European levels. The revival in Europe and the improvement which will occur in the European standard of living as a result will tend to cut the differential between American and European prices. European prices will rise, although American prices will fall.

May Change Tariff Policy

The Britishers also see a revision of the present American tariff as a possibility of the near future. If the United States is to sell its products to an increasing extent in Europe, the American market must be made more accessible to European products. This can only be done in two ways, one, by bringing about a further decline in European prices, or second, a cut in the present American tariff schedules. As America seems to already be doing all it can in a financial way to prevent further price declines in Europe, by offering to help stabilize European prices and currency, as British opinion sees it, there is nothing left to do but to come out flatfootedly for tariff cuts.

Politically the situation in the United States appears more favorable to such cuts than it has for years. The Fordney-McCumber tariff has few friends among either bankers or business men to-day, and even the farmers are completely disillusioned. With the country largely won to the support of the Dawes plan and the great need for helping Europe get back on its feet, the situation appears ripe for a strongly backed campaign for lower tariffs.

New Brunswick suffered little from forest fires in July. For the whole season up to the end of July the damage from this cause was only $40,000, which is a very low figure in comparison with former years.

Return of the Chartered Banks of the Dominion of Canada, June 30, 1924

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of the Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Governm'nts	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Bal. due to other Bks. in Canada	Due to Banks in U.K.	Due to Banks elsewhere	Bills Payable	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend	Loans to Directors	Average gold and coin held	Average Dominion notes held	Greatest amount notes in cir.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	39,944,019	44,310,861	....	5,449,766	122,943,526	302,532,052	83,569,986	2,549,578	197,018	425,710	61,148	10,355,380	668,221	28,128	27,250,000	27,250,000	667,535,400	31,175,000	12	1,974,435	15,716,948	40,457,609	40,496,421
Nova Scotia	14,504,904	1,514,549	....	1,650,069	34,323,743	107,711,158	32,519,411	2,439,907	155,252	1,189,448	137,577	4,340,265	....	388,708	19,500,000	10,000,000	230,374,995	15,000,000	16	1,841,851	9,614,439	10,052,786	14,767,582
Toronto	6,850,294	148,897	....	1,010,870	27,104,597	46,860,560	....	1,276,929	164,831	1,207,676	....	975,178	....	5,507	6,000,000	5,000,000	96,605,342	10,000,000	12	1,021,060	1,003,681	5,629,019	6,964,380
Molsons	5,096,569	134,368	1,000,000	720,766	13,398,575	39,585,610	....	603,557	49,447	180,780	....	780,069	595,243	121,552	5,000,000	4,000,000	71,266,540	5,000,000	12	190,762	595,235	3,549,350	5,148,929
Provinciale	3,090,349	97,602	....	424,078	5,258,062	25,145,521	....	1,617	....	162	....	....	61,254	5,520	1,500,000	3,000,000	38,584,168	5,000,000	9	....	181,496	282,859	3,090,349
Union	8,353,330	901,636	1,000,000	3,364,836	28,664,292	50,575,470	2,127,049	526,539	3,077,578	1,160,399	....	1,666,489	1,636	13,443	1,750,000	8,000,000	111,182,701	15,000,000	8	1,763,857	1,121,873	4,634,168	8,353,330
Commerce	27,698,182	1,898,360	5,500,000	6,983,635	118,779,652	199,222,146	46,691,283	1,747,346	981,578	10,355,409	3,198,798	9,617,146	....	22,789	20,000,000	20,000,000	472,696,329	25,000,000	12	4,981,242	16,384,000	16,887,000	27,698,182
Royal	30,154,069	4,583,896	2,000,000	4,403,064	90,737,797	190,426,119	168,686,000	815,919	476,878	9,736,426	5,105,867	20,019,708	....	34,745	20,400,000	20,400,000	567,980,495	25,000,000	12	1,335,508	9,610,938	19,129,393	31,009,451
Dominion	7,085,736	216,988	2,800,000	1,457,755	28,181,421	53,451,190	5,007,781	2,013,749	74,984	1,062,651	211,508	1,865,034	417,857	180,447	7,000,000	6,000,000	117,027,105	10,000,000	12	613,464	2,076,000	4,151,000	7,220,839
Standard	4,884,900	423,563	2,000,000	847,658	14,580,305	33,396,064	....	1,015,341	916,725	626,407	6,509	145,749	....	776	2,750,000	4,000,000	65,594,001	5,000,000	12	243,500	1,140,571	2,981,133	4,918,175
d'Hochelaga	11,853,219	418,458	2,000,000	2,955,107	15,920,793	72,677,077	2,168,841	2,022	105,084	1,829,532	....	687,993	....	3,382	5,500,000	5,500,000	121,621,510	10,000,000	10	170,950	904,991	2,904,283	11,995,464
Imperial	10,370,397	1,125,481	....	3,305,082	25,311,728	57,087,759	....	420,202	9,299	187,263	....	338,875	....	2,946	7,500,000	7,000,000	112,659,034	10,000,000	12	202,003	2,038,633	8,351,564	10,692,106
Sterling	1,156,708	95,881	2,900,000	748,841	3,011,308	8,910,344	....	299,509	13,789	1,630,663	....	16,200	....	2,346	500,000	1,235,000	20,520,593	3,000,000	8	236,776	70,442	849,689	1,180,118
Weyburn Security	353,547	58,680	....	4,789	895,374	1,437,021	....	....	....	18,718	....	....	42,081	9	225,000	524,560	3,559,784	1,000,000	5	101,295	20,030	122,945	353,547
Total	171,396,223	55,929,220	19,200,000	33,326,316	529,111,173	1,189,018,091	340,770,351	13,712,215	6,222,463	29,611,244	8,721,407	50,808,086	1,786,292	810,298	124,875,000	121,909,560	2,697,207,997	170,175,000	......	14,676,703	60,479,277	119,982,798	173,888,873

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	16,743,914	45,483,665	4,046,056	461,824	25,145,804	....	23,624,992	81,015,857	43,870,073	8,326,330	7,516,275	99,504,517	205,754,914	23,329,310	32,398,663	2,034,473	783,601	989,306	9,800,000	10,355,380	1,320,000	16,000,000	1,325,805	652,187	669,482,957
Nova Scotia	9,625,576	10,275,217	1,245,074	1,710,320	11,513,012	....	2,268,212	34,066,736	9,584,449	8,942,463	12,878,416	14,044,860	76,263,721	13,859,934	5,703,384	739,881	80,600	118,230	7,721,182	4,340,265	507,198	5,500,000	....	168,587	231,157,228
Toronto	996,969	4,935,470	585,370	94,682	5,461,843	2,736	1,230,063	17,508,189	3,838,833	1,857,917	7,560,095	....	44,432,510	....	2,490,053	279,171	....	88,274	3,481,689	975,178	257,089	2,200,000	....	....	98,276,137
Molsons	592,045	3,941,484	711,665	55,707	3,582,533	2,647	1,015,659	7,234,573	1,369,674	1,289,745	4,105,495	....	40,099,688	....	662,890	699,723	130,910	68,380	2,909,110	780,069	195,000	1,500,000	283,449	320,386	71,550,841
Provinciale	185,108	309,020	503,027	43,405	2,682,234	1,940,356	181,754	3,872,727	2,821,369	2,088,972	4,482,510	....	15,577,082	....	1,736,605	140,940	93,079	77,042	1,412,281	....	156,121	150,000	....	236,867	38,690,507
Union	1,110,953	5,915,413	733,410	82,305	4,452,175	105,852	3,473,934	13,859,325	6,606,641	3,464,778	1,121,844	29,495	56,344,927	1,736,927	4,105,464	898,165	445,762	406,742	2,250,207	1,666,489	396,000	400,000	2,149,594	14,878	111,771,288
Commerce	10,342,516	15,665,252	2,692,760	2,222,741	19,908,726	1,877	9,635,952	43,653,182	21,498,341	7,817,263	28,221,812	20,526,888	198,571,352	32,163,652	24,398,269	2,246,974	2,023,046	488,498	11,693,913	9,617,146	1,030,000	10,300,000	1,084,390	414,281	476,218,842
Royal	12,908,850	20,705,558	3,693,030	19,924,588	26,978,405	1,717	19,705,819	46,449,341	31,094,007	12,807,943	17,054,036	38,443,773	150,097,009	109,321,182	9,579,427	1,928,934	1,721,862	389,855	13,733,638	20,019,708	1,020,000	12,000,000	381,001	486,706	570,446,398
Dominion	2,076,815	5,865,623	1,161,350	99,714	9,649,396	1,346	4,682,697	17,424,474	3,926,980	1,992,197	5,251,423	1,076,239	51,693,960	1,062,722	1,223,989	306,664	89,565	21,500	6,117,210	1,865,034	309,000	1,600,000	....	438,348	117,936,256
Standard	1,149,178	3,387,889	512,044	42,794	3,529,794	100,000	591,392	8,875,064	2,512,224	153,623	3,219,055	....	36,172,546	....	1,573,926	666,863	325,049	77,490	1,901,460	145,749	200,000	1,100,000	....	42,714	66,278,862
d'Hochelaga x	941,982	3,699,086	1,770,032	147,703	4,327,181	546,965	585,531	20,885,584	9,264,141	1,365,091	6,880,139	....	54,718,900	1,463	1,752,725	161,006	1,449,460	412,527	5,111,122	687,993	361,708	7,000,000	....	106,798	122,177,147
Imperial	2,043,671	7,973,443	1,186,811	123,822	6,042,580	591,487	2,485,302	13,443,952	4,456,880	196,446	3,987,065	3,200,000	49,372,416	....	6,583,605	704,177	439,293	368,063	5,079,536	338,875	339,552	4,502,533	....	590,319	114,049,842
Sterling	70,504	1,079,644	156,045	11,005	644,536	6,989	165,481	8,958,186	1,269,632	270,099	57,326	....	5,035,310	....	633,390	187,836	14,877	20,240	760,569	16,200	66,000	....	1,031,980	125,671	20,581,530
Weyburn Security	20,715	126,734	24,535	3,142	18,710	267,574	51,849	7,797	9,314	....	....	....	2,232,031	....	141,910	133,767	133,363	69,023	225,502	....	24,254	....	....	72,611	3,562,839
Total	58,808,796	129,363,498	19,021,209	25,023,752	123,936,929	3,569,546	78,698,637	317,254,987	142,122,558	50,572,867	102,335,491	176,825,772	986,366,366	181,475,190	106,262,077	11,128,574	7,730,467	3,595,170	72,197,419	50,808,086	6,181,922	62,252,533	6,256,219	3,670,353	2,712,180,674

**Of this deposit $9,502,533 is in gold coin: the balance is in Dominion notes.

*The business of the branches of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies in compliance with legal requirements of the respective countries, and the figures are incorporated in the above-mentioned general statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank of Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

x The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque d'Hochelaga are included in above return.—Footnote to Banque d'Hochelaga return.

DEPARTMENT OF FINANCE, OTTAWA, AUGUST 7, 1924.

THE

Wabasso Cotton Company Limited

Annual Report 1923

Directors

W. G. E. Aird, Three Rivers, P.Q.
R. N. Ball, Woodstock, Ontario.
Wm. I. Gear, Montreal, P.Q.
Wm. Harty, Jr., Kingston, Ont.
Hugh Mackay, K.C., Montreal, P.Q.
Jas. W. Pyke, Montreal, P.Q.
C. R. Whitehead, Three Rivers, P.Q.

Officers

C. R. Whitehead, President and General Manager
Jas. W. Pyke, Vice-President
Jas. R. Ritchie, Secretary-Treasurer

Manager

W. G. E. Aird, Three Rivers, P.Q.

Directors' Report to the Shareholders

Gentlemen:—

Your Directors have pleasure in submitting herewith Balance Sheet as at 30th June, 1924, together with Profit and Loss Account, for the year ending that date.

The result of the year's operation is fully set forth in the appended Profit and Loss Account, from which it will be observed that, after making provision for all charges, including Bond Interest, and setting aside $100,000 for depreciation of Property and Plant, the net profit amounted to $143,152.68. From this there have been paid during the year, dividends at the rate of Four Dollars ($4.00) per share, amounting to $140,000, and the balance has been added to the Surplus Account.

The Extension to Building and Plant mentioned in last year's report has now been fully completed.

In submitting the Balance Sheet, your Directors feel that the results they are able to present should be very satisfactory to the Shareholders.

Respectfully submitted on behalf of the Directors.

(Sgd.) C. R. WHITEHEAD,
President.

Three Rivers, P.Q., July 15th, 1924.

Balance Sheet

As at 30th June, 1924

ASSETS

Current Assets:—			
Cash on hand and in Bank		$ 38,261.95	
Victory Bonds, Call Loans, etc.		425,721.50	
Accounts Receivable, less Reserve for Bad and Doubtful Debts		263,970.47	
Inventories of Raw Cotton, Partly Manufactured, and Manufactured Stock, Supplies, Chemicals, etc.		469,476.82	
			$1,197,430.74
Cash in Hands of Trustee for Sinking Fund			40.66
Property:—			
Real Estate, Buildings, Plant, Machinery, etc.			3,010,201.78
Investments:—			
Bonds of St. Maurice Valley Cotton Mills, Limited, at Cost		$ 18,795.43	
Bonds of Wabasso Cotton Company, Limited, at Cost		21,044.25	
Bonds of Shawinigan Cotton Company, Limited, at Cost		100,330.00	
Stock of Shawinigan Cotton Company, Limited, at Cost		95,910.00	
Sundry Investments, at Cost		32,720.00	
		$ 268,799.68	
Pledged as Collateral Security for $750,000, 20 year 7% Sinking Fund Mortgage and Collateral Trust Gold Bonds.			
Bonds of St. Maurice Valley Cotton Mills, Limited, at Cost	$ 722,619.00		
12,500 Shares of $100.00 each of St. Maurice Valley Cotton Mills, Ltd., Common Stock, being the whole issue	1,250,000.00		
		1,972,619.00	
			2,241,418.68
Deferred Charges:—			
Bond Discount and Unexpired Insurance			62,394.05
			$6,511,485.91

LIABILITIES

Current Liabilities:—			
Accounts Payable		$ 272,811.64	
Bank Loan, secured by Cotton		174,000.00	
Operating Expenses, Accrued Wages, etc., and Reserve for Business Profits and Income Taxes		252,517.39	
Bond Interest Accrued		12,955.00	
Unclaimed Wages		2,500.00	
Dividend payable 2nd July, 1924		35,000.00	
			$ 749,784.03
St. Maurice Valley Cotton Mills, Limited:—			
Loan			486,646.24
First Mortgage 6% Bonds, Due 1st June, 1947:—			
Authorized and Issued		$1,000,000.00	
Less Redeemed for Sinking Fund	$140,000.00		
Held in Treasury	19,000.00		
		159,000.00	
			841,000.00
Mortgage and Collateral Trust Sinking Fund 7% Bonds, Due 1st May, 1942:—			
Authorized and Issued		$ 750,000.00	
Less Redeemed for Sinking Fund		32,000.00	
			718,000.00
Reserve for Mortgage and Collateral Trust Bond Sinking Fund			32,040.66
Reserve for Depreciation			817,751.95
Liabilities to Shareholders:—			
Capital Stock:—			
Authorized and Issued, 35,000 Shares of No Par Value		$1,750,000.00	
Surplus:—			
General Reserve	$500,000.00		
Profit and Loss Account:—			
Balance as per Statement attached	616,263.03		
		1,116,263.03	
			2,866,263.03
			$6,511,485.91
Contingent Liabilities:—			
Bills under Discount		$ 114,786.94	
Guarantee to Bank for Advance to Oxford Knitting Company, Limited		75,000.00	

To the Shareholders of The Wabasso Cotton Company, Limited:—

We have examined and audited the Books and Accounts of The Wabasso Cotton Company, Limited, for the year ended 30th June, 1924, and beg to state that we have obtained all the information and explanations required by us, and, in our opinion, the accompanying Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of the information and explanations given to us, and as shown by the Books of the Company.

The various investments held by the Company have been verified by us by personal inspection, or by certificates from the depositaries.

The Inventories of Stock on hand have been certified by responsible Officials of the Company, and have been valued on a conservative basis.

JAS. W. PYKE,
WM. I. GEAR,
Directors.
RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A., Auditors.

The Wabasso Cotton Company, Limited
Profit and Loss Account

For the Year Ended 30th June, 1924

Profit for the year ended 30th June, 1924, after deducting all Manufacturing and other Charges and Expenses, also provision for Income War Tax, but before providing for Depreciation and Bond Interest		$265,193.50
Interest on Investments		96,644.18
		$361,837.68
Depreciation on Property and Plant	$100,000.00	
Bond Interest	103,685.00	
Sinking Fund	15,000.00	
		218,685.00
Net Profit		$143,152.68
Add Balance at Credit 30th June, 1923		613,110.35
		$756,263.03
Deduct Dividends for the year at the rate of $4.00 per Share		140,000.00
Balance at Credit carried to Balance Sheet		$616,263.03

WESTERN WHEAT IS MUCH BETTER IN FINAL STAGE

Recent Fine Growing Weather May Necessitate Raise in Estimates

The significant news of the week with regard to the condition of the crops in the West is that there has been a steady improvement over the situation of a fortnight ago, and this, incidentally, since the preparation of the last crop report of the Dominion Bureau of Statistics. Probably the best idea of what the harvest will be can be obtained from an analysis of the westward movement of railway rolling stock, the volume of binder-twine orders, the preliminary estimates of the number of harvesters required and such factors. At any rate, the usual migration of the harvesters to the scene of action has already been taking place for some time, due note not having been taken, apparently of the fact that the harvest is a fortnight late.

In order to dispose of the wheat to better advantage, a central selling agency which will handle the wheat of the pooled interests of the three western provinces has just been incorporated under the name of the Canadian Co-operative Wheat Producers Ltd. This organization will look after the entire disposal of the grain to its members.

Details of the Crop Situation

It is in the province of Alberta that the greatest improvement has taken place in the condition of the crop outlook during the past two weeks. Fine growing weather has been having a very favorable effect in sections where the grain had a a good start, but was not ripening on account of cold and backward weather. This has changed the situation in some section from a complete failure to a prospect of at least 10 or 12 bushels to the acre. With reasonably satisfactory weather for the next two weeks, it seems safe to expect a wheat yield in Alberta of something in the neighborhood of 75,000,000 bushels. This is approximately the same as the five year average, and considerably above the ten year average. However, some sections have suffered very severely, particularly in the south-east area near the Saskatchewan border and also in the central section.

In the province of Saskatchewan also the last two weeks have seen a very gratifying recovery. In the north-central section recent showers are causing the grain to fill out and a vast improvement is noted. The yield, however, will be much below the average. Farther south the outlook is better than in the north as far as the indicated yield is concerned. Rust is reported from several points, however, and there has been some damage from blight. It is impossible as yet to ascertain the extent of the damage, but it is not thought to be serious. There has been considerable damage from hail, and the lateness of the season suggests the danger of rust. The last government estimate of the Saskatchewan yield is 147,273,000, but some improvement has taken place, as in Alberta since this estimate was made.

Conditions in Manitoba are still more favorable, relatively, than in either of the other two provinces. The exceedingly favorable growing weather to which reference was made last week continued long enough to give the grain a new chance in many sections.

Crop Conditions Are Favorable on Whole

MONTREAL.—Summary of the Bank of Montreal crop report issued Thursday. Crop conditions in prairie provinces favorable on the whole; wheat filling out well. Cutting general by Sept. 1 in Alberta and Saskatchewan; one week earlier in Manitoba.

Hay and fall wheat all harvested in Ontario; yield above average.

Oat-cutting in Quebec commenced; yield expected above average. Roots doing well.

In the Maritime provinces potatoes continue to do well. Recent rains have improved the apples. Heavy rains benefit roots and pastures. In B. C., Okanagan fruit crop down to seventy per cent. of last year's, due to the dry spell. A good average grain crop. Roots only fair.

B. C. LUMBER MEN LOOK TO PRAIRIES FOR BIG MARKET

Industry Has Gone Through Severe Depression During Summer

From Our Own Correspondent.

VICTORIA, B. C.—British Columbia lumbermen are looking to the increased price of wheat as a big factor in the anticipated prosperity of the coast lumber industry this fall. The prairies have been virtually out of the lumber market for a long while. the feeling among the sawmill men being that with prices low and crops lower than normal the average grain grower is not thinking of expansion and new buildings. The return of moderately high prices, however, changes the situation considerably, and the general belief here is that there will be plenty of prairie farmers' money in circulation on the coast this fall and winter, and that a fair proportion of it will go into purchases of lumber. The actual need of construction in the prairies has long been recognized, and once the market does open up for building material there, an unusually strong demand is regarded as a probable development.

British Columbia sawmill industry has passed through a severe depression this summer, and is only now commencing to see daylight again. Prices have been lower than for years and many mills have been shut down rather than continue to produce at a cost higher than the selling price. Efforts to bring about a general reduction in output all down the coast to get accumulated stocks off the market and stabilize conditions failed because some of the largest producers refused to enter the agreement. Logging has been practically at a standstill for more than two months.

The California market, which was one of the brightest spots in the lumber situation a year ago, is now suffering a depression, and one big sawmill which has been operating in the Queen Charlotte Islands exclusively for the production of lumber to be used in Los Angeles, has closed down.

Several export outlets have shown recent signs of stimulation, however, and by mid-September conditions are expected to assume a much healthier tone. Japan appears to have absorbed stocks purchased earlier in the year, and is back in the buying column, and the United Kingdom has placed several large orders for heavy timbers. Through the medium of the British Empire Exhibition the British Columbia government is trying to focus general attention on the uses of this province's forest products for structural purposes.

The value of British Columbia's lumber industry last year was approximately $86,674,000, according to a statement just issued by the government. This shows an increase of 45 per cent. over last year's figure. The cut of wood products reached the equivalent of 2,500,000,000 board feet, or 25 per cent. greater than the boom year of 1920. Production in the various divisions follows: Lumber, $47,600,000; pulp and paper, $15,018,000; shingles, $9,869,000; boxes, $2,072,000; piles, poles and mine props, $2,200,000; cordwood, fence posts, and mine ties, $1,500,000; ties, railway, $1,715,000; additional value contributed by the wood-using industry, $2,000,000; laths and other miscellaneous products, $500,000; logs exported, $4,200,000.

Marked Building Improvement in Eastern Cities During July

Building in Canada shows a decline of better than $10,000,000 for seven months when compared with the same period of 1923. The East is responsible as the Western cities show an advance. July was marked by an improvement in the Eastern situation which went to reduce somewhat the loss which was piled up during the sceond quarter of the year, the first quarter having made a fairly good showing. The West in July fell off materially, but there was a good total to the credit side of the ledger and this though reduced, still shows an improvement of nearly a million dollars for the year. On the whole. however, July, taking the East and West together, is much behind last year. The figures:

BUILDING PERMITS ISSUED IN JULY
(Eastern Cities)

					— 7 Months —			
	July 1924	July 1923		Change	1924	1923		Change
Maritimes—								
Halifax	13,260	33,450	—	20,190	523,062	200,982	+	322,080
Moncton	11,425	93,640	—	82,215	70,914	246,981	—	176,067
St. John	788,156	58,500	+	629,656	1,010,106	295,700	+	714,406
Sydney	10,400	47,195	—	36,795	101,027	209,002	—	107,975
Quebec—								
Montreal	2,922,665	1,619,370	+	1,303,295	14,170,780	17,089,497	—	2,918,717
Quebec	218,338	505,222	—	286,884	3,419,733	2,809,900	+	609,833
Sherbrooke	66,000	140,150	—	74,150	425,878	452,650	—	26,772
Westmount	262,875	111,430	+	152,445	1,348,891	1,073,846	+	275,045
Ontario—								
Brantford	10,665	47,126	—	36,461	142,383	398,261	—	255,878
Chatham	19,234	41,050	—	21,816	144,904	187,070	—	42,166
Ft. William	83,475	47,100	+	36,375	533,845	971,475	—	437,630
Galt	13,290	10,695	+	2,595	86,002	88,316	—	2,314
Hamilton	363,925	879,320	—	505,395	2,219,550	3,513,730	—	1,294,180
London	157,370	359,615	—	202,245	1,314,230	2,244,540	—	930,310
Kingston	116,047	35,400	+	80,647	853,380	558,925	+	294,455
Kitchener	59,824	364,030	—	304,206	782,092	1,394,242	—	612,150
Oshawa	83,525	328,655	—	245,130	499,515	788,805	—	289,290
Ottawa	238,930	172,150	+	66,780	1,477,650	1,781,852	—	304,202
Peterborough	75,281	50,095	—	25,186	251,576	203,533	+	48,043
Port Arthur	23,225	48,005	—	24,780	1,132,622	2,255,024	—	1,122,402
Sarnia	19,015	165,327	—	46,312	455,103	538,574	—	83,471
Sault St. Marie	89,360	32,931	+	56,429	284,267	216,876	+	67,391
Smith's Falls	5,150	......	+	5,150	53,505	29,185	+	24,420
St. Catharines	51,613	115,950	—	64,337	495,097	470,012	+	25,085
St. Thomas	2,880	5,448	—	2,568	107,966	264,499	—	156,533
Stratford	110,921	62,230	+	48,691	503,897	324,192	+	179,705
Toronto	2,370,715	2,980,105	—	609,390	13,378,318	20,996,926	—	7,618,608
Welland	5,275	3,034	+	2,230	77,045	105,090	—	28,045
Windsor	382,495	321,512	+	60,983	2,796,258	3,028,177	—	231,919
Woodstock	25,576	9,197	+	15,379	172,918	178,593	—	5,675
Total 30 E. Cities	8,930,310	8,687,943	+	242,367	51,298,214	62,916,455	—	11,618,241
York Township	329,400	......	+	329,400	2,465,600	......	+	2,465,600
(Western Cities)								
Manitoba—								
Brandon	4,000	41,977						
St. Boniface	63,415	182,785	—	119,370	305,333	352,352	—	47,019
Winnipeg	370,650	637,200						
Alberta—								
Calgary	163,325	56,400	+	106,925	668,555	612,360	+	56,195
Edmonton	190,775	316,750	—	129,975	1,989,665	944,590	+	1,045,075
Lethbridge	5,055	85,200	—	80,145	82,337	178,900	—	96,563
Medicine Hat	2,215	3,570	—	1,355	97,787	15,835	+	81,952
Saskatchewan—								
Moose Jaw	10,710	110,600	—	99,890	389,741	239,276	+	150,465
Prince Albert	24,450	11,400	+	13,050	69,661	219,140	—	149,479
Regina	63,895	109,085	—	45,190	635,800	903,565	—	267,765
Saskatoon	52,310	85,225	—	32,915	957,705	632,633	+	325,072
Weyburn	200	1,275	—	1,075	1,030	11,880	—	10,850
Yorkton	200	10,600	—	10,400	23,960	43,820	—	19,860
British Columbia—								
Nanaimo	9,950	6,170	+	3,780	52,245	99,463	—	47,218
N. Westminster	14,705	30,370	—	15,665	196,525	235,103	—	38,578
Vancouver	352,168	601,342	—	249,173	3,183,660	2,831,492	+	352,168
Victoria	22,099	152,815	—	130,716	450,277	575,960	—	125,683
Total 18 W. Cities	1,350,122	2,442,764	—	1,092,642	8,829,481	7,896,367	+	933,114

CITY OF OSHAWA

TENDERS FOR DEBENTURES

$304,897.40

Tenders addressed to the undersigned, and marked on the envelope "Tender for Debentures," will be received up till 4.30 p.m. Thursday, August 28th for the following debentures:

Purpose	Amount	Rate	Term	Interest Annually	Payable at
Extension to High School	$250,000.00	5%	20 yr. Instal.	Aug. 31st	Oshawa
Local Improvement Pavements	54,897.40	5%	20 yr. Instal.	Aug. 31st	Oshawa

Denominations of Bonds $1000.00 and odd amounts. Accrued Interest to be added to price on delivery. Delivery and payment to be made at Oshawa. The Corporation reserves the right to reject any or all tenders.

P. A. BLACKBURN, City Treasurer.

TENDERS FOR BONDS

City of Sydney, Nova Scotia

SEALED TENDERS will be received by the undersigned up to noon, August 30th, 1924, for the purchase of $262,000 City of Sydney Bonds covering services as follows:—

Water System and Service	$135,000
Streets. Curbs and Bridges	97,000
Fire Apparatus	10,000
Audit City's Accounts	20,000
	$262,000

Bonds aggregating $242,000 carry 5½% Interest, term thirty years, dating August 1st, 1924. Sinking Fund 2%, Coupons half yearly. Funds Canadian, Bonds and Coupons par at Halifax and Sydney, and the balance $20,000 Bonds covers Audit of City's Accounts with particulars, term twenty years, dating August 1st, 1924. Interest 5½%, Sinking Fund 5%, Coupons half yearly, Canadian Funds, par at Halifax and Sydney. Bankers, The Royal Bank of Canada.

Highest or any tender not necessarily accepted. For further particulars apply to, D. J. O'CONNELL, City Treasurer, City Hall. Sydney, N.S.

DIVIDEND No. 127

Hollinger Consolidated Gold Mines, Ltd.

(No Personal Liability)

A dividend of 1 per cent. on the outstanding capital stock of the Company has been declared payable on the 8th day of September, 1924, on which date cheques will be mailed to shareholders of record at the close of business on the 21st day of August, 1924.

DATED the 14th day of August, 1924.

D. A. DUNLAP, Treasurer.

Tenders for Bonds

SEALED tenders will be received at the office of the undersigned, in the City of Fredericton, N.B., up to the 29th instant, at noon, for One Hundred and Fifty Thousand Dollars ($150,000) of debentures of the Board of School Trustees of Fredericton, debentures to be in serial form, for Five Hundred Dollars ($500) each, dated September 1st, 1924; interest five and one-half per cent. per annum, payable half yearly. Further information will be supplied upon request.

R. D. HANSON,
Secretary of Board of School Trustees of Fredericton, N.B.

Fredericton, N.B.,
August 8th, 1924.

THE CANADIAN BANK OF COMMERCE

Dividend No. 150

NOTICE IS HEREBY GIVEN that a dividend of three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1924, payable at the Bank and its Branches, on and after Tuesday, 2nd September next, to shareholders of record at the close of business on the 16th day of August, 1924.

By Order of the Board.

JOHN AIRD,
General Manager.

Toronto, 18th July, 1924.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Tuesday, the SECOND day of SEPTEMBER next, to Shareholders of record of 31st July, 1924.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

MEXICAN TRAMWAYS COMPANY

General Consolidated First Mortgage 50-Year 5 Per Cent. Gold Bonds

NOTICE IS HEREBY GIVEN that on and after 1st September, 1924, Coupon No. 23, dated 1st March, 1918, detached from the above Bonds, will be paid at the Bank of Montreal, Toronto, Montreal or London, England, or at the agency of the Bank of Montreal, New York, N. Y., at the holder's option.

Dated at Toronto this 15th day of August, 1924.

MEXICO TRAMWAYS COMPANY,
R. H. MERRY, Secretary.

Town of Hawkesbury Bonds

Sealed tenders will be received until 7 p.m., August 27th, 1924, for the purchase of $18,561.78 of 20 yearly 6% installment consolidated redemption bonds. The right is reserved to accept or reject any or none of the tenders.

J. O. BERTRAND,
Clerk-Treasurer.

Debentures for Sale

TENDERS will be received by me up to noon of September 2nd, for the purchase of the following debenture issues of the Town of Orillia, guaranteed by County of Simcoe. Both issues bear 5 per cent. coupons payable half yearly at Orillia. Principal payable in instalments.

Waterwork Issue, $36,000, passed by Municipal Board.

Sewers Issue, $74,000, legalized by Statute, 1924.

Particulars, apply to undersigned. No tender necessarily accepted.

C. E. GRANT,
Treasurer, Town of Orillia.

$20,000,000.00
Province of Ontario

20 Year 4½% Bonds

The Government of the Province of Ontario will receive tenders up to 12 o'clock noon (daylight saving time) on Friday, the 22nd day of August, 1924, for $20,000,000.00 Province of Ontario, 4½ per cent. bonds, dated the 1st day of September, 1924, due 1st day of September, 1944, bearing interest at the rate of 4½ per cent. per annum, payable half yearly on the 1st of September and 1st of March, principal and interest payable in gold coin of lawful money of Canada at the office of Treasurer of Ontario, Toronto, or at the Agents of the Treasurer of Ontario in Montreal, Canada, or in gold coin of the United States of America of the present standard of weight and fineness at the Agents of the Province of Ontario in the City of New York, U.S.A., or at par of Exchange at the Agents of the Province of Ontario in the City of London, England, at the holder's option.

Bonds to be in the denomination of $1,000.00 each with coupons attached and may be registered as to principal only. Payment for and delivery of bonds to be made at the office of the Treasurer of Ontario in Toronto, Canada, on or before the 4th day of September, 1924, less the amount of the deposit. Interim debentures will be issued on payment of the money, to be exchanged for definitive bonds on completion by the engravers.

Sealed tenders, endorsed, "Tenders for Province of Ontario Debentures" should be addressed to the Hon. William H. Price, Treasurer of Ontario, Parliament Buildings, Toronto.

Tenders must be for the whole amount offered and must be accompanied by a marked cheque for $200,000.00 to be applied in the case of the successful tenderer as part payment for bonds.

The above bonds will be issued under the authority of 14 Geo. V. (Ontario) Chap. 9.

The highest or any tender not necessarily accepted.

WILLIAM H. PRICE,
Treasurer of Ontario.

Toronto, August 16th, 1924.

Township of Bosanquet

TENDERS WANTED

TENDERS will be received by the undersigned up to Monday, August 25th, at 2 p.m., for the sale of $21,000, 10-year debentures for the constuction of a bridge. Debentures have coupons attached for interest at 6 per cent. Send tenders to D. F. McIntyre, Reeve, Forest P.O., R.R. No. 2, or to the undersigned.

GEO. SUTHERLAND,
Clerk,
Thedford, Ont.